

## **iShares® Silver Trust**

2010 Grantor Trust Tax Reporting Statement

EIN: 137474456

Cusip: 46428Q109

Ticker: SLV

The following information is being provided to assist Shareholders of the iShares Silver Trust with reporting of their taxable income and expenses for the period January 1, 2010 through December 31, 2010, pursuant to Treasury Regulation Section 1.671-5. Under this regulation, the iShares Silver Trust is considered a "non-mortgage widely held fixed investment trust."

The example provided herein is based on a US individual Shareholder who purchased its iShares Silver Trust shares for cash. **All Shareholders should contact their own tax advisors as to the tax consequences of the information reported in iShares Silver Trust Data below.**

### **TAXATION OF THE TRUST**

The iShares Silver Trust is a grantor trust for U.S. federal income tax purposes. As a result, the Trust itself is not subject to U.S. federal income tax. Instead, the Trust's income and expenses "flow through" to the Shareholders.

### **TAXATION OF US INDIVIDUAL SHAREHOLDERS**

Shareholders generally will be treated, for U.S. federal income tax purposes, as if they directly owned a pro rata share of the underlying assets held in the Trust. Shareholders also will be treated as if they directly received their respective pro rata shares of the Trust's income and proceeds, and directly incurred their pro rata share of the Trust's expenses. Most state and local tax authorities follow U.S. Income tax rules in this regard. However, Shareholders should contact their own tax advisors as to the state and local tax consequences of ownership of SLV shares.

The Trust holds only silver bullion and, accordingly, received no income during the year.

The Trust paid expenses monthly, as shown in the attached 2010 Expense File. An example illustrating the computation of a Shareholder's share of expenses is provided. The calculation period is monthly.

Because the Trust sold only a de minimis amount of silver for payment of Trust expenses during the year and made no distributions of sale proceeds to its Shareholders, under Treas. Reg. Sec. 1.671-5(c)(2)(iv)(B) the Trust is not required to report the gross proceeds of Trust sales to its Shareholders. However, for those Shareholders who wish to have this information, it is contained in the attached 2010 Gross Proceeds File.

## iShares Silver Trust 2010 Expense File

| <b>Date</b>           | <b>Expenses Per Share</b> |
|-----------------------|---------------------------|
| January               | 0.0073870                 |
| February              | 0.0059099                 |
| March                 | 0.0072066                 |
| April                 | 0.0073709                 |
| May                   | 0.0075608                 |
| June                  | 0.0074613                 |
| July                  | 0.0074813                 |
| August                | 0.0075657                 |
| September             | 0.0078890                 |
| October               | 0.0096149                 |
| November              | 0.0104926                 |
| December              | 0.0120417                 |
| <b>Total for year</b> | <b>0.0979817</b>          |

## iShares Silver Trust 2010 Gross Proceeds File

| Date       | Silver Ounces Per Share | Per Share Silver Ounces Sold To Cover Expenses | Proceeds Per Share |
|------------|-------------------------|--|--------------------|
| 01/01/2010 | 0.9823172               |  |                    |
| 01/02/2010 | 0.9823172               |  |                    |
| 01/03/2010 | 0.9823172               |  |                    |
| 01/04/2010 | 0.9823172               |  |                    |
| 01/05/2010 | 0.9818870               |  |                    |
| 01/06/2010 | 0.9818870               |  |                    |
| 01/07/2010 | 0.9818870               |  |                    |
| 01/08/2010 | 0.9818870               |  |                    |
| 01/09/2010 | 0.9818870               |  |                    |
| 01/10/2010 | 0.9818870               |  |                    |
| 01/11/2010 | 0.9818870               |  |                    |
| 01/12/2010 | 0.9818870               |  |                    |
| 01/13/2010 | 0.9818870               |  |                    |
| 01/14/2010 | 0.9818897               |  |                    |
| 01/15/2010 | 0.9818897               |  |                    |
| 01/16/2010 | 0.9818897               |  |                    |
| 01/17/2010 | 0.9818897               |  |                    |
| 01/18/2010 | 0.9818897               |  |                    |
| 01/19/2010 | 0.9818897               |  |                    |
| 01/20/2010 | 0.9818897               |  |                    |
| 01/21/2010 | 0.9818897               |  |                    |
| 01/22/2010 | 0.9818897               |  |                    |
| 01/23/2010 | 0.9818897               |  |                    |
| 01/24/2010 | 0.9818897               |  |                    |
| 01/25/2010 | 0.9818897               |  |                    |
| 01/26/2010 | 0.9818897               |  |                    |
| 01/27/2010 | 0.9818878               |  |                    |
| 01/28/2010 | 0.9818878               |  |                    |
| 01/29/2010 | 0.9818878               | 0.0004400                                      | 0.0073870          |
| 01/30/2010 | 0.9818878               |  |                    |
| 01/31/2010 | 0.9818878               |  |                    |
| 02/01/2010 | 0.9818892               |  |                    |
| 02/02/2010 | 0.9818892               |  |                    |
| 02/03/2010 | 0.9818892               |  |                    |
| 02/04/2010 | 0.9814478               |  |                    |
| 02/05/2010 | 0.9814478               |  |                    |
| 02/06/2010 | 0.9814478               |  |                    |
| 02/07/2010 | 0.9814478               |  |                    |
| 02/08/2010 | 0.9814475               |  |                    |
| 02/09/2010 | 0.9814475               |  |                    |
| 02/10/2010 | 0.9814475               |  |                    |
| 02/11/2010 | 0.9814475               |  |                    |
| 02/12/2010 | 0.9814467               |  |                    |
| 02/13/2010 | 0.9814467               |  |                    |
| 02/14/2010 | 0.9814467               |  |                    |
| 02/15/2010 | 0.9814467               |  |                    |
| 02/16/2010 | 0.9814467               |  |                    |
| 02/17/2010 | 0.9814467               |  |                    |
| 02/18/2010 | 0.9814467               |  |                    |

## iShares Silver Trust 2010 Gross Proceeds File

| Date       | Silver Ounces Per Share | Per Share Silver Ounces Sold To Cover Expenses | Proceeds Per Share |
|------------|-------------------------|--|--------------------|
| 02/19/2010 | 0.9814467               |  |                    |
| 02/20/2010 | 0.9814467               |  |                    |
| 02/21/2010 | 0.9814467               |  |                    |
| 02/22/2010 | 0.9814467               |  |                    |
| 02/23/2010 | 0.9814467               |  |                    |
| 02/24/2010 | 0.9814467               |  |                    |
| 02/25/2010 | 0.9814467               |  |                    |
| 02/26/2010 | 0.9814456               | 0.0003582                                      | 0.0059099          |
| 02/27/2010 | 0.9814456               |  |                    |
| 02/28/2010 | 0.9814456               |  |                    |
| 03/01/2010 | 0.9814456               |  |                    |
| 03/02/2010 | 0.9810874               |  |                    |
| 03/03/2010 | 0.9810874               |  |                    |
| 03/04/2010 | 0.9810877               |  |                    |
| 03/05/2010 | 0.9810877               |  |                    |
| 03/06/2010 | 0.9810877               |  |                    |
| 03/07/2010 | 0.9810877               |  |                    |
| 03/08/2010 | 0.9810877               |  |                    |
| 03/09/2010 | 0.9810884               |  |                    |
| 03/10/2010 | 0.9810884               |  |                    |
| 03/11/2010 | 0.9810891               |  |                    |
| 03/12/2010 | 0.9810891               |  |                    |
| 03/13/2010 | 0.9810891               |  |                    |
| 03/14/2010 | 0.9810891               |  |                    |
| 03/15/2010 | 0.9810891               |  |                    |
| 03/16/2010 | 0.9810891               |  |                    |
| 03/17/2010 | 0.9810891               |  |                    |
| 03/18/2010 | 0.9810891               |  |                    |
| 03/19/2010 | 0.9810897               |  |                    |
| 03/20/2010 | 0.9810897               |  |                    |
| 03/21/2010 | 0.9810897               |  |                    |
| 03/22/2010 | 0.9810897               |  |                    |
| 03/23/2010 | 0.9810897               |  |                    |
| 03/24/2010 | 0.9810897               |  |                    |
| 03/25/2010 | 0.9810897               |  |                    |
| 03/26/2010 | 0.9810897               |  |                    |
| 03/27/2010 | 0.9810897               |  |                    |
| 03/28/2010 | 0.9810897               |  |                    |
| 03/29/2010 | 0.9810897               |  |                    |
| 03/30/2010 | 0.9810897               |  |                    |
| 03/31/2010 | 0.9810924               | 0.0004074                                      | 0.0072066          |
| 04/01/2010 | 0.9810924               |  |                    |
| 04/02/2010 | 0.9810924               |  |                    |
| 04/03/2010 | 0.9810924               |  |                    |
| 04/04/2010 | 0.9810924               |  |                    |
| 04/05/2010 | 0.9806851               |  |                    |
| 04/06/2010 | 0.9806851               |  |                    |
| 04/07/2010 | 0.9806851               |  |                    |
| 04/08/2010 | 0.9806851               |  |                    |

## iShares Silver Trust 2010 Gross Proceeds File

| Date       | Silver Ounces<br>Per Share | Per Share Silver<br>Ounces Sold To<br>Cover Expenses | Proceeds<br>Per Share |
|------------|----------------------------|--|-----------------------|
| 04/09/2010 | 0.9806851                  |  |                       |
| 04/10/2010 | 0.9806851                  |  |                       |
| 04/11/2010 | 0.9806851                  |  |                       |
| 04/12/2010 | 0.9806857                  |  |                       |
| 04/13/2010 | 0.9806857                  |  |                       |
| 04/14/2010 | 0.9806877                  |  |                       |
| 04/15/2010 | 0.9806891                  |  |                       |
| 04/16/2010 | 0.9806902                  |  |                       |
| 04/17/2010 | 0.9806902                  |  |                       |
| 04/18/2010 | 0.9806902                  |  |                       |
| 04/19/2010 | 0.9806902                  |  |                       |
| 04/20/2010 | 0.9806902                  |  |                       |
| 04/21/2010 | 0.9806902                  |  |                       |
| 04/22/2010 | 0.9806902                  |  |                       |
| 04/23/2010 | 0.9806902                  |  |                       |
| 04/24/2010 | 0.9806902                  |  |                       |
| 04/25/2010 | 0.9806902                  |  |                       |
| 04/26/2010 | 0.9806902                  |  |                       |
| 04/27/2010 | 0.9806902                  |  |                       |
| 04/28/2010 | 0.9806902                  |  |                       |
| 04/29/2010 | 0.9806902                  |  |                       |
| 04/30/2010 | 0.9806902                  | 0.0003940  | 0.0073709             |
| 05/01/2010 | 0.9806902                  |  |                       |
| 05/02/2010 | 0.9806902                  |  |                       |
| 05/03/2010 | 0.9806902                  |  |                       |
| 05/04/2010 | 0.9806902                  |  |                       |
| 05/05/2010 | 0.9802960                  |  |                       |
| 05/06/2010 | 0.9802955                  |  |                       |
| 05/07/2010 | 0.9802948                  |  |                       |
| 05/08/2010 | 0.9802948                  |  |                       |
| 05/09/2010 | 0.9802948                  |  |                       |
| 05/10/2010 | 0.9802948                  |  |                       |
| 05/11/2010 | 0.9802944                  |  |                       |
| 05/12/2010 | 0.9802944                  |  |                       |
| 05/13/2010 | 0.9802932                  |  |                       |
| 05/14/2010 | 0.9802932                  |  |                       |
| 05/15/2010 | 0.9802932                  |  |                       |
| 05/16/2010 | 0.9802932                  |  |                       |
| 05/17/2010 | 0.9802932                  |  |                       |
| 05/18/2010 | 0.9802932                  |  |                       |
| 05/19/2010 | 0.9802932                  |  |                       |
| 05/20/2010 | 0.9802932                  |  |                       |
| 05/21/2010 | 0.9802932                  |  |                       |
| 05/22/2010 | 0.9802932                  |  |                       |
| 05/23/2010 | 0.9802932                  |  |                       |
| 05/24/2010 | 0.9802932                  |  |                       |
| 05/25/2010 | 0.9802932                  |  |                       |
| 05/26/2010 | 0.9802932                  |  |                       |
| 05/27/2010 | 0.9802921                  |  |                       |

## iShares Silver Trust 2010 Gross Proceeds File

| Date       | Silver Ounces Per Share | Per Share Silver Ounces Sold To Cover Expenses | Proceeds Per Share |
|------------|-------------------------|--|--------------------|
| 05/28/2010 | 0.9802906               | 0.0004102                                      | 0.0075608          |
| 05/29/2010 | 0.9802906               |  |                    |
| 05/30/2010 | 0.9802906               |  |                    |
| 05/31/2010 | 0.9802906               |  |                    |
| 06/01/2010 | 0.9802906               |  |                    |
| 06/02/2010 | 0.9802906               |  |                    |
| 06/03/2010 | 0.9798803               |  |                    |
| 06/04/2010 | 0.9798805               |  |                    |
| 06/05/2010 | 0.9798805               |  |                    |
| 06/06/2010 | 0.9798805               |  |                    |
| 06/07/2010 | 0.9798805               |  |                    |
| 06/08/2010 | 0.9798805               |  |                    |
| 06/09/2010 | 0.9798805               |  |                    |
| 06/10/2010 | 0.9798805               |  |                    |
| 06/11/2010 | 0.9798805               |  |                    |
| 06/12/2010 | 0.9798805               |  |                    |
| 06/13/2010 | 0.9798805               |  |                    |
| 06/14/2010 | 0.9798805               |  |                    |
| 06/15/2010 | 0.9798805               |  |                    |
| 06/16/2010 | 0.9798805               |  |                    |
| 06/17/2010 | 0.9798805               |  |                    |
| 06/18/2010 | 0.9798805               |  |                    |
| 06/19/2010 | 0.9798805               |  |                    |
| 06/20/2010 | 0.9798805               |  |                    |
| 06/21/2010 | 0.9798805               |  |                    |
| 06/22/2010 | 0.9798805               |  |                    |
| 06/23/2010 | 0.9798805               |  |                    |
| 06/24/2010 | 0.9798816               |  |                    |
| 06/25/2010 | 0.9798816               |  |                    |
| 06/26/2010 | 0.9798816               |  |                    |
| 06/27/2010 | 0.9798816               |  |                    |
| 06/28/2010 | 0.9798816               |  |                    |
| 06/29/2010 | 0.9798816               |  |                    |
| 06/30/2010 | 0.9798825               | 0.0004001                                      | 0.0074613          |
| 07/01/2010 | 0.9798825               |  |                    |
| 07/02/2010 | 0.9794824               |  |                    |
| 07/03/2010 | 0.9794824               |  |                    |
| 07/04/2010 | 0.9794824               |  |                    |
| 07/05/2010 | 0.9794824               |  |                    |
| 07/06/2010 | 0.9794824               |  |                    |
| 07/07/2010 | 0.9794824               |  |                    |
| 07/08/2010 | 0.9794824               |  |                    |
| 07/09/2010 | 0.9794824               |  |                    |
| 07/10/2010 | 0.9794824               |  |                    |
| 07/11/2010 | 0.9794824               |  |                    |
| 07/12/2010 | 0.9794824               |  |                    |
| 07/13/2010 | 0.9794819               |  |                    |
| 07/14/2010 | 0.9794819               |  |                    |
| 07/15/2010 | 0.9794819               |  |                    |

## iShares Silver Trust 2010 Gross Proceeds File

| Date       | Silver Ounces Per Share | Per Share Silver Ounces Sold To Cover Expenses | Proceeds Per Share |
|------------|-------------------------|--|--------------------|
| 07/16/2010 | 0.9794819               |  |                    |
| 07/17/2010 | 0.9794819               |  |                    |
| 07/18/2010 | 0.9794819               |  |                    |
| 07/19/2010 | 0.9794819               |  |                    |
| 07/20/2010 | 0.9794819               |  |                    |
| 07/21/2010 | 0.9794819               |  |                    |
| 07/22/2010 | 0.9794819               |  |                    |
| 07/23/2010 | 0.9794819               |  |                    |
| 07/24/2010 | 0.9794819               |  |                    |
| 07/25/2010 | 0.9794819               |  |                    |
| 07/26/2010 | 0.9794819               |  |                    |
| 07/27/2010 | 0.9794819               |  |                    |
| 07/28/2010 | 0.9794819               |  |                    |
| 07/29/2010 | 0.9794819               |  |                    |
| 07/30/2010 | 0.9794819               | 0.0004062                                      | 0.0074813          |
| 07/31/2010 | 0.9794819               |  |                    |
| 08/01/2010 | 0.9794819               |  |                    |
| 08/02/2010 | 0.9794819               |  |                    |
| 08/03/2010 | 0.9794819               |  |                    |
| 08/04/2010 | 0.9790757               |  |                    |
| 08/05/2010 | 0.9790759               |  |                    |
| 08/06/2010 | 0.9790759               |  |                    |
| 08/07/2010 | 0.9790759               |  |                    |
| 08/08/2010 | 0.9790759               |  |                    |
| 08/09/2010 | 0.9790759               |  |                    |
| 08/10/2010 | 0.9790759               |  |                    |
| 08/11/2010 | 0.9790759               |  |                    |
| 08/12/2010 | 0.9790759               |  |                    |
| 08/13/2010 | 0.9790759               |  |                    |
| 08/14/2010 | 0.9790759               |  |                    |
| 08/15/2010 | 0.9790759               |  |                    |
| 08/16/2010 | 0.9790759               |  |                    |
| 08/17/2010 | 0.9790759               |  |                    |
| 08/18/2010 | 0.9790759               |  |                    |
| 08/19/2010 | 0.9790759               |  |                    |
| 08/20/2010 | 0.9790759               |  |                    |
| 08/21/2010 | 0.9790759               |  |                    |
| 08/22/2010 | 0.9790759               |  |                    |
| 08/23/2010 | 0.9790759               |  |                    |
| 08/24/2010 | 0.9790750               |  |                    |
| 08/25/2010 | 0.9790750               |  |                    |
| 08/26/2010 | 0.9790743               |  |                    |
| 08/27/2010 | 0.9790743               |  |                    |
| 08/28/2010 | 0.9790743               |  |                    |
| 08/29/2010 | 0.9790743               |  |                    |
| 08/30/2010 | 0.9790743               |  |                    |
| 08/31/2010 | 0.9790730               | 0.0003890                                      | 0.0075657          |
| 09/01/2010 | 0.9790707               |  |                    |
| 09/02/2010 | 0.9790707               |  |                    |

## iShares Silver Trust 2010 Gross Proceeds File

| Date       | Silver Ounces Per Share | Per Share Silver Ounces Sold To Cover Expenses | Proceeds Per Share |
|------------|-------------------------|--|--------------------|
| 09/03/2010 | 0.9786840               |  |                    |
| 09/04/2010 | 0.9786840               |  |                    |
| 09/05/2010 | 0.9786840               |  |                    |
| 09/06/2010 | 0.9786840               |  |                    |
| 09/07/2010 | 0.9786840               |  |                    |
| 09/08/2010 | 0.9786840               |  |                    |
| 09/09/2010 | 0.9786836               |  |                    |
| 09/10/2010 | 0.9786836               |  |                    |
| 09/11/2010 | 0.9786836               |  |                    |
| 09/12/2010 | 0.9786836               |  |                    |
| 09/13/2010 | 0.9786836               |  |                    |
| 09/14/2010 | 0.9786836               |  |                    |
| 09/15/2010 | 0.9786829               |  |                    |
| 09/16/2010 | 0.9786829               |  |                    |
| 09/17/2010 | 0.9786821               |  |                    |
| 09/18/2010 | 0.9786821               |  |                    |
| 09/19/2010 | 0.9786821               |  |                    |
| 09/20/2010 | 0.9786821               |  |                    |
| 09/21/2010 | 0.9786787               |  |                    |
| 09/22/2010 | 0.9786787               |  |                    |
| 09/23/2010 | 0.9786766               |  |                    |
| 09/24/2010 | 0.9786757               |  |                    |
| 09/25/2010 | 0.9786757               |  |                    |
| 09/26/2010 | 0.9786757               |  |                    |
| 09/27/2010 | 0.9786757               |  |                    |
| 09/28/2010 | 0.9786708               |  |                    |
| 09/29/2010 | 0.9786697               |  |                    |
| 09/30/2010 | 0.9786697               | 0.0003594                                      | 0.0078890          |
| 10/01/2010 | 0.9786697               |  |                    |
| 10/02/2010 | 0.9786697               |  |                    |
| 10/03/2010 | 0.9786697               |  |                    |
| 10/04/2010 | 0.9783103               |  |                    |
| 10/05/2010 | 0.9783098               |  |                    |
| 10/06/2010 | 0.9783094               |  |                    |
| 10/07/2010 | 0.9783090               |  |                    |
| 10/08/2010 | 0.9783082               |  |                    |
| 10/09/2010 | 0.9783082               |  |                    |
| 10/10/2010 | 0.9783082               |  |                    |
| 10/11/2010 | 0.9783082               |  |                    |
| 10/12/2010 | 0.9783082               |  |                    |
| 10/13/2010 | 0.9783076               |  |                    |
| 10/14/2010 | 0.9783070               |  |                    |
| 10/15/2010 | 0.9783060               |  |                    |
| 10/16/2010 | 0.9783060               |  |                    |
| 10/17/2010 | 0.9783060               |  |                    |
| 10/18/2010 | 0.9783060               |  |                    |
| 10/19/2010 | 0.9783060               |  |                    |
| 10/20/2010 | 0.9783060               |  |                    |
| 10/21/2010 | 0.9783060               |  |                    |



## iShares Silver Trust 2010 Gross Proceeds File

| Date       | Silver Ounces Per Share | Per Share Silver Ounces Sold To Cover Expenses | Proceeds Per Share |
|------------|-------------------------|--|--------------------|
| 10/22/2010 | 0.9783060               |  |                    |
| 10/23/2010 | 0.9783060               |  |                    |
| 10/24/2010 | 0.9783060               |  |                    |
| 10/25/2010 | 0.9783060               |  |                    |
| 10/26/2010 | 0.9783060               |  |                    |
| 10/27/2010 | 0.9783060               |  |                    |
| 10/28/2010 | 0.9783074               |  |                    |
| 10/29/2010 | 0.9783088               | 0.0003860                                      | 0.0096149          |
| 10/30/2010 | 0.9783088               |  |                    |
| 10/31/2010 | 0.9783088               |  |                    |
| 11/01/2010 | 0.9783088               |  |                    |
| 11/02/2010 | 0.9779229               |  |                    |
| 11/03/2010 | 0.9779229               |  |                    |
| 11/04/2010 | 0.9779229               |  |                    |
| 11/05/2010 | 0.9779226               |  |                    |
| 11/06/2010 | 0.9779226               |  |                    |
| 11/07/2010 | 0.9779226               |  |                    |
| 11/08/2010 | 0.9779222               |  |                    |
| 11/09/2010 | 0.9779211               |  |                    |
| 11/10/2010 | 0.9779177               |  |                    |
| 11/11/2010 | 0.9779177               |  |                    |
| 11/12/2010 | 0.9779177               |  |                    |
| 11/13/2010 | 0.9779177               |  |                    |
| 11/14/2010 | 0.9779177               |  |                    |
| 11/15/2010 | 0.9779177               |  |                    |
| 11/16/2010 | 0.9779167               |  |                    |
| 11/17/2010 | 0.9779167               |  |                    |
| 11/18/2010 | 0.9779167               |  |                    |
| 11/19/2010 | 0.9779158               |  |                    |
| 11/20/2010 | 0.9779158               |  |                    |
| 11/21/2010 | 0.9779158               |  |                    |
| 11/22/2010 | 0.9779152               |  |                    |
| 11/23/2010 | 0.9779139               |  |                    |
| 11/24/2010 | 0.9779139               |  |                    |
| 11/25/2010 | 0.9779139               |  |                    |
| 11/26/2010 | 0.9779190               |  |                    |
| 11/27/2010 | 0.9779190               |  |                    |
| 11/28/2010 | 0.9779190               |  |                    |
| 11/29/2010 | 0.9779190               |  |                    |
| 11/30/2010 | 0.9779184               | 0.0003651                                      | 0.0104926          |
| 12/01/2010 | 0.9779165               |  |                    |
| 12/02/2010 | 0.9775532               |  |                    |
| 12/03/2010 | 0.9775532               |  |                    |
| 12/04/2010 | 0.9775532               |  |                    |
| 12/05/2010 | 0.9775532               |  |                    |
| 12/06/2010 | 0.9775531               |  |                    |
| 12/07/2010 | 0.9775522               |  |                    |
| 12/08/2010 | 0.9775522               |  |                    |
| 12/09/2010 | 0.9775522               |  |                    |

## iShares Silver Trust 2010 Gross Proceeds File

| Date          | Silver Ounces<br>Per Share | Per Share Silver<br>Ounces Sold To<br>Cover Expenses | Proceeds<br>Per Share |
|---------------|----------------------------|--|-----------------------|
| 12/10/2010    | 0.9775522                  |  |                       |
| 12/11/2010    | 0.9775522                  |  |                       |
| 12/12/2010    | 0.9775522                  |  |                       |
| 12/13/2010    | 0.9775528                  |  |                       |
| 12/14/2010    | 0.9775517                  |  |                       |
| 12/15/2010    | 0.9775517                  |  |                       |
| 12/16/2010    | 0.9775517                  |  |                       |
| 12/17/2010    | 0.9775529                  |  |                       |
| 12/18/2010    | 0.9775529                  |  |                       |
| 12/19/2010    | 0.9775529                  |  |                       |
| 12/20/2010    | 0.9775529                  |  |                       |
| 12/21/2010    | 0.9775529                  |  |                       |
| 12/22/2010    | 0.9775529                  |  |                       |
| 12/23/2010    | 0.9775529                  |  |                       |
| 12/24/2010    | 0.9775529                  |  |                       |
| 12/25/2010    | 0.9775529                  |  |                       |
| 12/26/2010    | 0.9775529                  |  |                       |
| 12/27/2010    | 0.9775529                  |  |                       |
| 12/28/2010    | 0.9775529                  |  |                       |
| 12/29/2010    | 0.9775529                  |  |                       |
| 12/30/2010    | 0.9775529                  |  |                       |
| 12/31/2010    | 0.9775522                  | 0.0003926  | 0.0120417             |
| <b>Totals</b> |                            | <b>0.0047082</b>                                     | <b>0.0979817</b>      |

**iShares Silver Trust Data above shows silver ounces acquired per iShares Silver Trust (SLV) share purchased, silver sold (in ounces), proceeds, and expenses per iShares Silver Trust (SLV) Share.**

Identify the date on which the Shareholder purchased its iShares Silver Trust (SLV) shares in the column labeled “Date.” The amount in the column labeled “Silver Ounces per Share” represents the pro rata amount of silver, in ounces, that each SLV Share represents.

**Example:** Shareholder XYZ purchases 1000 SLV shares on 1/28/2010 at a price of \$12 per share for a total purchase price of \$12,000. Shareholder XYZ had no other purchases or sales of SLV shares during 2010.

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

Identify Shareholder XYZ’s purchase date of 1/28/2010. In the column labeled “Silver Ounces per Share,” identify the pro rata amount of silver (i.e. 0.981888 ounces per share) each SLV share represents on that date.

For Shareholder XYZ, total prorated amount of silver ounces owned for its 1/28/2010 purchase is 981.887800 ounces (0.981888 ounces per share multiplied by 1000 shares purchased on 1/28/2010.) Note: This step should be completed for each date on which SLV shares were purchased.

**Step 2: Calculate the silver (in ounces) sold from the shareholder’s account during 2010**

The silver ounces sold per share during 2010 includes the cumulative amounts of all silver sales for the period which includes the day after the purchase date of 1/28/2010 through the day of the sale date.

During 2010, the amount of silver sold after the 1/28/2010 purchase date is 0.0047082 oz per share for a total of 4.708200 oz (based on the purchase of 1000 shares). There were no other silver sales during 2010.

**Step 3: Calculate cost of silver sold from the shareholder’s account**

|                                   |                    |
|-----------------------------------|--------------------|
| Total silver ounces sold (Step 2) | 4.708200           |
|                                   | ----- X \$12,000 = |
| Silver ounces acquired (Step1)    | 981.887800         |
| Cost of silver sold               | \$57.54            |

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

Identify all proceeds per share received by the Trust after Shareholder XYZ's 1/28/2010 purchase date. During 2010, there were sales at the end of every month for the period of 1/29/2010 through 12/31/2010 which generated proceeds per share of \$0.097982. Therefore, Shareholder XYZ's gain or loss is determined as follows:

|   |                 |
|---|-----------------|
| <b>Total Proceeds:</b> \$ 0.097982 per share X 1000 shares  | \$97.98         |
| <b>Less:</b> Total cost of silver sold (Step 3)             | <u>-\$57.54</u> |
| <b>Total Reportable Gain</b><br><b>(1040 Sch D, Part I)</b> | <b>\$40.44</b>  |

**Step 5: Calculate the shareholder's investment expenses**

Identify all expenses per share paid by the Trust after Shareholder XYZ's 1/28/2010 purchase date. During 2010, the expenses paid were at the end of every month for the period of 1/29/2010 through 12/31/2010 which amounted to \$ 0.097982. Therefore, Shareholder XYZ's investment expenses are:

|                                      |                |
|--------------------------------------|----------------|
| <b>Investment Expenses per Share</b> | \$0.097982     |
| Total Shares                         | <u>X 1000</u>  |
| Total Investment Expense             | <b>\$97.98</b> |

**(1040Sch A)**

**Step 6: Calculate the shareholder's adjusted silver held and cost basis**

|  |                    |
|--|--------------------|
| <b>Silver ounces purchased on 1/28/2010 (Step 1)</b> | 981.8878 oz        |
| Less silver ounces sold during 2010 (Step 2)         | <u>- 4.7082 oz</u> |
| Adjusted shareholder's silver ounces at 12/31/2010   | 977.1796 oz        |
| <br>   |                    |
| Original purchase cost on 1/28/2010                  | \$12,000.00        |
| Less cost of silver sold during 2010 (Step 3)        | <u>- \$57.54</u>   |
| Adjusted shareholder's basis at 12/31/2010           | \$11,942.46        |

Shareholder's adjusted cost and silver ounces calculated in Step 6 are his/her adjusted basis for the 1/28/2010 purchase at the end of 2010.

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 that purchased their shares in 2009, and made no other purchases, should calculate their adjusted cost basis, using the 2009 information, by following the same steps as in the example above. The adjusted cost basis should be used as the beginning cost for 2010 instead of the original purchase cost.

Shareholders with additional purchase in 2010 will have two cost lots to account for in 2010. The calculation of gains and losses will be affected by the cost basis method used to account for the sales.

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