



# Grayscale New Baby



Ticker  
**GBTC**



Feed



Ticker  
**BTC**



Cheaper fee  
will be ready?

# GRAYSCALE WILL SETUP **BITCOIN** **MINI TRUST?**

Report by **Crypto Extraction**



# CryptoExtraction

EXTRACTING EVERY CRYPTOCURRENCY

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# THIS IS GRAYSCALE!



Old logo



New logo



## WHAT IS GRAYSCALE?

Grayscale is a **crypto assets management company** providing both accredited and non-accredited investors the opportunity to buy and invest in different types of cryptocurrency without holding the actual coin or token.

There are numerous **crypto products under Grayscale Trust** such as **BTC, BAT, ETC, FIL, LTC, SOL, XLM, ZEN, BCH, LINK, MANA, and even DEFI Fund and large cap fund**. However, the best one is the Grayscale Bitcoin Trust with a ticker GBTC, which has now been changed to Grayscale Bitcoin Trust ETF with the same ticker, GBTC.

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# THE EVOLUTION OF GBTC TRUST TO ETF

## WHAT IS GBTC TRUST?

GBTC trust is a open-end trust that could make investor to buy and trade bitcoin indirectly through a share at a premium or discount to its net asset value (NAV).


## HISTORY OF GBTC ETF?

Grayscale submitted their GBTC to change it from a trust into a Bitcoin spot Exchange Trade Fund (ETF) in February 2017, but the SEC disapproved it. Then, on 10th January 2024, the SEC approved GBTC to become an ETF and it was listed on NYSE Arca on 11th January 2024.

## WHAT IS GBTC ETF?

Similar to the GBTC trust, the GBTC ETF allows investors to buy Bitcoin through a share that tracks closely to the NAV without any discount. Unlike the GBTC Trust, which targets institutions and accredited investors, the GBTC ETF easily allows retail investors to buy the shares.



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# THE HIGHEST FEE ETF

Compare to all existing spot bitcoin ETFs, **GBTC** has the **highest management fee** compared to others with a 1.5% fee, **which might create disadvantages for investors.**

Ticker	Asset Managers	Fees
GBTC	Grayscale Bitcoin Trust BTC	1.5%
IBIT	iShares Bitcoin Trust	0.25%
FBTC	Fidelity Wise Origin Bitcoin Fund	0.25%
ARKB	ARK 21Shares Bitcoin ETF	0.21%
BITB	Bitwise Bitcoin ETF	0.2%
EZBC	Franklin Bitcoin ETF	0.19%
BTCO	Invesco Galaxy Bitcoin ETF	0.25%
HODL	VanEck Bitcoin Trust	0%
BRRR	Valkyrie Bitcoin Fund	0.49%
BTCW	WisdomTree Bitcoin Fund	0.3%
DEFI	Hashdex Bitcoin Futures ETF	0.9%

Source: Swan



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# THE SOLUTION

Grayscale has filed S-1 form to set up a their new company called Grayscale Bitcoin Mini Trust.

Ticker: **GBTC**

Ticker: **BTC**

Grayscale Bitcoin Trust

**Company**

Grayscale Bitcoin Mini Trust

Management Fee:  
1.5%

**Fee**

Management Fee:  
0.15%

304,220.4615 BTC  
(23 Apr 2024)

**BTC Hold**

63,204.1529 BTC  
(If approve)\*

\*GBTC might seed the bitcoin directly to the BTC

G

Please  
approve it!

We will see!



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# GRAYSCALE'S BITCOIN TRUST (GBTC) **SPIN-OFF**

Based on the S-1 form, Grayscale has an intention to spin - off some GBTC bitcoin holding to the Grayscale Bitcoin Mini Trust.

## First Scenario



## Second Scenario

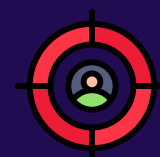


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# WHY IS GRAYSCALE TAKING THIS ACTION?

To create a win-win solution between Grayscale, shareholders, and newcomers in buying and investing in the spot Bitcoin ETF.

## For Grayscale



- Retain existing investors without losing them to move to cheaper asset managers.
- Gain a competitive product (BTC Trust) to market to new investors and advisors.

## For shareholder



- The old shareholders will be able to retain their GBTC investment, while some Bitcoin might be transferred to a low management fee ETF (BTC) without triggering capital gains tax. In return, they receive a share of the Grayscale Bitcoin mini.
- For the newcomer, they can choose between GBTC or BTC, but if it is approved, they might choose BTC due to its low management fee.

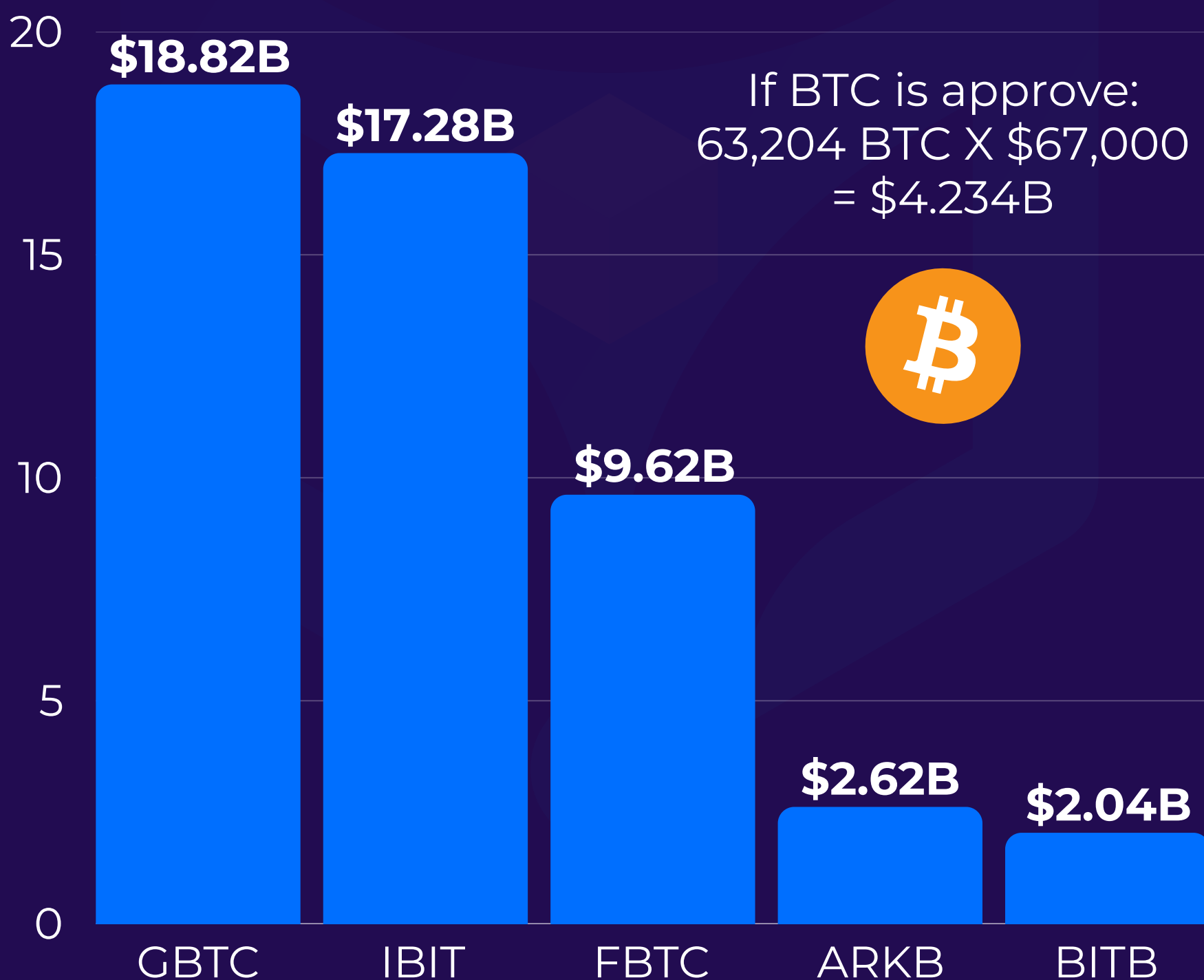




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# SPOT BITCOIN ETF AUM (23 - 04 - 24)

Grayscale is still in the lead in the USA's spot for a Bitcoin ETF. If Grayscale's Small Bitcoin Trust is approved, it could be number 4.



Source: The Block



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