See separate instructions.

Part I Reporting Issuer

Issuer's name		2 Issuer's employer identification number (EIN)		
rexion Daily Consumer Di	iscretionary Bear 3	83-2118315		
3 Name of contact for additional information		4 Telephone No. of contact		5 Email address of contact
t Rudnick	646-572-3631		rudnickp@direxioninvestments.com	
Number and street (or P.	O. box if mail is not	7 City, town, or post office, state, and ZIP code of contact		
01 Avenue of the America	as, 28th Floor	New York, NY 10019		
Date of action	9 Classification	9 Classification and description		
/31/19		stribution		
CUSIP number	11 Serial number(s) 12	Ticker symbol	13 Account number(s)
25459Y884	N/A	PAS	S	N/A
art II Organization	nal Action Attac	h additional state	ements if needed.	See back of form for additional questions.
Describe the organization	onal action and, if a	oplicable, the date	of the action or the	date against which shareholders' ownership is measured for
the action ► During the	he fiscal year endir	ng 10/31/19, Direxi	on Daily Consume	er Discretionary Bear 3X declared quarterly dividends that
cluded a non-taxable retu	rn of capital. Pleas	e reference the at	tached sheet for d	etails relating to the date of action.
	texion Daily Consumer D Name of contact for addi t Rudnick Number and street (or P. D1 Avenue of the America Date of action '31/19 CUSIP number 25459Y884 art II Organizatio Describe the organizati the action ► During the	rexion Daily Consumer Discretionary Bear 3 Name of contact for additional information t Rudnick Number and street (or P.O. box if mail is not of the Americas, 28th Floor D1 Avenue of the Americas, 28th Floor Date of action '31/19 CUSIP number 11 Serial number(s 25459Y884 N/A art II Organizational Action Attact Describe the organizational action and, if and the action > During the fiscal year endim	rexion Daily Consumer Discretionary Bear 3X Shares Name of contact for additional information 4 Telephone No. At Rudnick 64 Number and street (or P.O. box if mail is not delivered to street 64 D1 Avenue of the Americas, 28th Floor 9 Classification Date of action 9 Classification (31/19) Nontaxable Ref CUSIP number 11 Serial number(s) 12 25459Y884 N/A PAS: Describe the organizational action and, if applicable, the date the action > During the fiscal year ending 10/31/19, Direxit	texion Daily Consumer Discretionary Bear 3X Shares Name of contact for additional information 4 Telephone No. of contact t Rudnick 646-572-3631 Number and street (or P.O. box if mail is not delivered to street address) of contact D1 Avenue of the Americas, 28th Floor Date of action 9 Classification and description (31/19) Nontaxable Return of Capital Dis CUSIP number 11 Serial number(s) 12 Ticker symbol 25459Y884 N/A PASS art II Organizational Action Describe the organizational action and, if applicable, the date of the action or the

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► For each dividend noted above, 8.381% of each such dividend was a return of capital
 in accordance with IRS section 301(c)(2). Accordingly, the shareholder would reduce each share of their tax cost basis in the PASS stock by the portion of each distribution determined to be nontaxable return of capital.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► The cost basis of the shareholders of record for each dividend noted above is lowered by the per share return of capital amount disclosed in the attachment. The rate was determined in accordance with IRC Section 301 and Section 316.

Firm's address 🕨

Phone no.

Part		Organizational Action (continued)				
17 Li	ist the	applicable Internal Revenue Code section	(s) and subsection(s) upon which the tax tre	atment is based ►	<u>IRC 301, 3</u>	302, and 316.
18 C	an anv	resulting loss be recognized? No loss	s can be recognized by the shareholders	of each dividend	noted above	
		kable return of capital distribution recei				
19 P	rovide	any other information necessary to impler	nent the adjustment, such as the reportable	tax year ► The in	formation pr	ovided above
will be	provid	ed on the shareholder's 2019 1099-DIV	statement, box 3.			
			nined this return, including accompanying schedu			
			preparer (other than officer) is based on all inform			
Sign Here						
nere	Signa	ture ►		Date ►		
	Print	your name 🕨		Γitle ►		
Paid	1.1.111	Print/Type preparer's name	Preparer's signature	Date	Check if	PTIN
Prepa	arer				self-employed	
Use (Firm's name			Firm's EIN ►	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Direxion Daily Consumer Discretionary Bear 3X Shares 83-2118315

				8.381%
Record Date	Ex Date	Payable Date	Total Dividend	Return of Capital
3/20/2019	3/19/2019	3/26/2019	0.2219	0.0186
6/26/2019	6/25/2019	7/2/2019	0.0925	0.0078
9/25/2019	9/24/2019	10/1/2019	0.0492	0.0041