

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
The Direxion Funds - Direxion Monthly High Yield Bull 1.2x Fund		81-1177231	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Pat Rudnick	646-572-3631	RudnickP@Direxion.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
241 N Broadway Suite 202		MILWAUKEE, WISCONSIN, 53202	
8 Date of action		9 Classification and description	
REFER TO ATTACHED SCHEDULE		NONTAXABLE RETURN OF CAPITAL DISTRIBUTION	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
254939127		DXHYX	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ THE DIREXION MONTHLY HIGH YIELD BULL 1.2X FUND PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION TO SHAREHOLDERS. PLEASE REFER TO ATTACHED SCHEDULE.

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 THE TOTAL NONTAXABLE RETURN OF CAPITAL PORTION OF THE DIVIDEND PAID TO SHAREHOLDERS, PLEASE REFER TO ATTACHED SCHEDULE.

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 TAX BASIS IS LOWERED BY THE PER SHARE AMOUNT FOR THE SHAREHOLDERS. PLEASE REFER TO THE ATTACHED SCHEDULE. THE RATE WAS DETERMINED IN ACCORDANCE WITH IRC §301 and IRC §316.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC §301, §316

18 Can any resulting loss be recognized? ▶ NO LOSS CAN BE RECOGNIZED ON THE DISTRIBUTIONS PAID TO THE SHAREHOLDERS. PLEASE REFER TO ATTACHED SCHEDULE.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ THE INFORMATION PROVIDED ABOVE WILL BE PROVIDED ON THE SHAREHOLDERS 2022 1099 DIV STATEMENT BOX 3.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ▶ [Handwritten Signature] Date ▶ 1/24/23
Print your name ▶ Patrick Redrick Title ▶ Principal Executive Officer

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

FORM 8937 Report of Organizational Actions Affecting Basis of Securities

Direxion Monthly High Yield Bull 1.2X Fund

EIN : 81-1177231

<u>Part I</u>	Box 10 <u>Cusip Number</u> 254939127	Box 12 <u>Ticker Symbol</u> DXHYX
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Part II, Organizational action on the basis of the security in the hands of a U.S. taxpayer:

<u>Record Date</u>	<u>Ex-Dividend Date</u>	<u>Payable Date</u>	<u>Total Distribution Per Share</u>	<u>Total ROC Per Share</u>
1/18/2022	1/19/2022	1/19/2022	0.09112109	0.00294963
2/15/2022	2/16/2022	2/16/2022	0.78831776	0.02551819
3/15/2022	3/16/2022	3/16/2022	0.19165121	0.00620383
4/18/2022	4/19/2022	4/19/2022	0.05521722	0.00178741
6/15/2022	6/16/2022	6/16/2022	0.54664320	0.01769508
8/15/2022	8/16/2022	8/16/2022	0.03511558	0.00113671

