



FOR IMMEDIATE RELEASE

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## **FINRA Proposes Limiting Access to Leveraged and Inverse ETFs**

*Direxion Encourages Investors to Advocate for Continued Access to Current Products*

NEW YORK – May 2, 2022 – [FINRA's Regulatory Notice 22-08](#) includes a solicitation of comments on investors' ability to trade "complex products" – including leveraged and inverse funds ("L&I Funds").

In its notice, FINRA articulates the "concern" that investors may be confused by "complex products" and solicits comment as to whether limiting access to such products might be appropriate given the growth in self-directed investment platforms.

FINRA is not currently proposing new rules, but suggests "enhancements" to current rules that may require onerous processes for brokerage firms in order to qualify legally entitled investors to use L&I Funds and other "complex products".

At Direxion, and throughout the investment industry, we understand that educated investors are our best customers. Rather than limiting investor choice, we believe that investor education, transparency and risk disclosure should be the primary focus of FINRA and the industry.

FINRA seeks public comment, and [Direxion](#) encourages you to do so prior to the deadline on May 9. Please be thoughtful, comprehensive and detailed in your comments. You may want to consider addressing the following:

- Your opinion on FINRA's proposed limits that may restrict your access to L&I Funds or to disqualify you from trading L&I Funds or other "complex products".
- If you have a strong understanding of the characteristics and risks of L&I Funds, and that their purpose is for short-term active trading, and that they should be monitored regularly, consider including a statement to that effect.
- A description of the warnings your brokerage firm already provides in connection with your investments in L&I Funds, and their rationale.

You may submit your comments [here](#). Your comments will be routed directly to FINRA. The deadline for comments is May 9. You can also call us with any questions at 877-437-9363.

Thank you for your attention to this important matter, and your continued trust in Direxion.

All Direxion leveraged and inverse ETFs are intended only for investors with an in-depth understanding of the risks associated with seeking leveraged investment results, and who plan to actively monitor and manage their positions. There is no guarantee that these L&I Funds will meet their objective. Please visit the [Direxion Leveraged and Inverse ETF Education Center](#),

where you will find educational brochures, videos, and a self-paced online course to help you understand if leveraged ETFs are right for you.

### **About Direxion:**

Direxion equips investors who are driven by conviction with ETF solutions built for purpose and fine-tuned for precision. These solutions are available for a broad spectrum of investors, whether executing short-term tactical trades, or investing in thematic strategies. Direxion's reputation is founded on developing products that precisely express market perspectives and allow investors to manage their risk exposure. Founded in 1997, the company has approximately \$28.6 billion in assets under management as of March 31, 2022. For more information, please visit [www.direxion.com](http://www.direxion.com).

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*There is no guarantee that the Funds will achieve their investment objectives.*

*For more information on all Direxion Shares daily leveraged ETFs, go to [www.direxion.com](http://www.direxion.com), or call us at [866.301.9214](tel:866.301.9214).*

Leveraged ETFs are not suitable for all investors and should be utilized only by investors who understand the risks associated with seeking daily leveraged and inverse investment results, and intend to actively monitor and manage their investments. Due to the daily nature of the leveraged and inverse investment strategies employed, there is no guarantee of long-term inverse returns. Past performance is not indicative of future results.

*An investor should carefully consider a Fund's investment objective, risks, charges, and expenses before investing. A Fund's prospectus and summary prospectus contain this and other information about the Direxion Shares. To obtain a Fund's prospectus and summary prospectus call 866-716-0735 or visit our website at [direxion.com](http://direxion.com). A Fund's prospectus and summary prospectus should be read carefully before investing.*

**Direxion Shares Risks** - An investment in the ETFs involves risk, including the possible loss of principal. The ETFs are non-diversified and include risks associated with concentration that results from an ETF's investments in a particular industry or sector which can increase volatility. The use of derivatives such as futures contracts and swaps are subject to market risks that may cause their price to fluctuate over time. The ETFs do not attempt to, and should not be expected to, provide returns which are a multiple of the return of their respective index for periods other than a single day. For other risks including leverage, correlation, daily compounding, market volatility and risks specific to an industry or sector, please read the prospectus.

**Distributor: Foreside Fund Services, LLC.**