(December 2011) Department of the Treasury

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-2224

Internal Revenue Service Reporting Issuer Part I 2 Issuer's employer identification number (EIN) Issuer's name DIREXION ZACKS MLP HIGH INCOME SHARES 46-3725336 3 Name of contact for additional information Telephone No. of contact 5 Email address of contact Pat Rudnick rudnickp@direxioninvestments.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 1301 Avenue of the Americas 35th Floor New York, New York 10019 8 Date of action 9 Classification and description 09/27/2016 NONTAXABLE RETURN OF CAPITAL DISTRIBUTION 10 CUSIP number 11 Serial number(s) 12 Ticker symbol 13 Account number(s) **ZMLP** 25459Y298 Organizational Action Attach additional statements if needed. See back of form for additional guestions. Part II 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 ZACKS MLP HIGH INCOME SHARES PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION ON 09/27/2016 TO SHAREHOLDERS OF RECORD ON 09/22/2016 (EX DATE 09/20/2016). THE ESTIMATED PERCENT OF THE NONTAXABLE RETURN OF CAPITAL DISTRIBUTION PAID TO SHAREHOLDERS OF RECORD ON 09/22/2016 IS 100 PERCENT OF THE TOTAL DIVIDEND AMOUNT. 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 15 share or as a percentage of old basis ► THE TOTAL NONTAXABLE RETURN OF CAPITAL PORTION OF THE DIVIDEND PAID TO SHAREHOLDERS OF RECORD ON 09/22/2016 WAS 0.400000 PER SHARE 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 BASIS IS LOWERED BY THE PER SHARE AMOUNT OF 0.400000 FOR THE SHAREHOLDERS OF RECORD ON 09/22/2016. THE RATE WAS DETERMINED IN ACCORDANCE WITH IRC §301 AND IRC §316.

	_				
Part	Ш	Organizational Action (continued)			
17 l	List the	applicable Internal Revenue Code section(s) and subsection(s) upon which the tax tre	eatment is based	IRC §§ 301, 316
18 (Can an	reculting loss be recognized?	SS CAN BE RECOGNIZED ON THE DISTF	DIDLITIONS DAID	ON 00/27/2014 TO THE
			NTIAL GAIN MAY RESULT IF SHAREHOI		
SHAR	LIIOLL	LK3 OF RECORD ON 09/22/2010. FOTE	INTIAL GAIN MAT RESULT IT SHAREHOL	LDER HAS A ZER	O BASIS.
19 F	Provide	any other information necessary to implen	nent the adjustment, such as the reportable	e tax year ► THE II	NFORMATION PROVIDED
ABOV	E WILL	BE PROVIDED ON THE SHAREHOLDER	RS 2016 1099 DIV STATEMENT BOX 3.		
	Llode	w nonelties of new w. I dealers that I have aver-	in and their water was in all relies and a second and in a sale and	ulan and atatamanta	and to the best of my line in edge on
	belie	Inder penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and elief, 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	<u> </u>			D	
	Signa	ture ►		Date ►	
	Duin t	YOUR DOMO N		Ti+lo ►	
		your name ► Print/Type preparer's name	Preparer's signature	Title ► Date	OL L D : PTIN
Paid		. 75- 5-5-2			Check if self-employed
Preparei		Firm's name ▶	1		Firm's EIN ▶
Use	Only	Firm's address ►			Phone no.

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