

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)		
DIREXION ZACKS MLP HIGH INCOME SHARES			46-3725336		
3 Name of contact for additional information		4 Telephone No. of contact		5 Email address of contact	
Pat Rudnick		646-572-3631		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			
09/26/2017		NONTAXABLE RETURN OF CAPITAL DISTRIBUTION			
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)		
25459Y298		ZMLP			

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 ZACKS MLP HIGH INCOME SHARES PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION ON 9/26/2017 TO SHAREHOLDERS OF RECORD ON 09/20/2017 (EX DATE 09/19/2017). THE ESTIMATED PERCENT OF THE NONTAXABLE RETURN OF CAPITAL DISTRIBUTION PAID TO SHAREHOLDERS OF RECORD ON 09/20/2017 IS 75 PERCENT OF THE TOTAL DIVIDEND AMOUNT.

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 ▶ THE TOTAL NONTAXABLE RETURN OF CAPITAL PORTION OF THE DIVIDEND PAID TO SHAREHOLDERS OF RECORD ON 09/20/2017 WAS 0.300000 PER SHARE.

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 BASIS IS LOWERED BY THE PER SHARE AMOUNT OF 0.300000 FOR THE SHAREHOLDERS OF RECORD ON 09/20/2017. 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 ON 09/26/2017 TO THE SHAREHOLDERS OF RECORD ON 09/20/2017. POTENTIAL GAIN MAY RESULT IF SHAREHOLDER HAS A ZERO BASIS.

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 2017 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 ▶ _____ Date ▶ _____

Print your name ▶ _____ Title ▶ _____

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.