



Product Notice 2020-0457

Date: September 18, 2020

Re: PowerShares DB G10 Currency Harvest Fund

MEMX LLC (“MEMX or the “Exchange”) was approved by the Securities and Exchange Commission as a registered national securities exchange on May 4, 2020. MEMX intends to commence trading and other operations in September of 2020. This Product Notice is being issued to advise you that the following securities have been approved for trading pursuant to unlisted trading privileges (“UTP”) on MEMX as UTP Derivative Securities pursuant to MEMX Rule 14.1.

<u>Securities (the “Fund” or the “ETF”)</u>	<u>Symbol</u>	<u>CUSIP</u>
PowerShares DB G10 Currency Harvest Fund	DBV	73935Y102

Compliance and supervisory personnel should note that, among other things, this Product Notice discusses the need to deliver a prospectus to customers purchasing shares of the exchange-traded fund. Please forward this Product Notice to interested persons within your organization.

The purpose of this Product Notice is to outline various rules and policies that will be applicable to trading in these new products pursuant to the Exchange’s unlisted trading privileges, as well as to provide certain characteristics and features of the securities. For a more complete description of the Issuer, the securities, and the underlying market instruments or indexes, visit the Issuer Website, consult the Prospectus available on the Issuer Website or examine the Issuer Registration Statement, or review the most current information bulletin issued by the Primary Listing Exchange. The Issuer Website, the Prospectus and the Issuer Registration Statement are hereafter collectively referred to as the “Issuer Disclosure Materials.”

Background Information on the Funds

As more fully explained in the Registration Statement (No. 333-132484) for the PowerShares DB G10

Currency Harvest Fund (the “Fund”), the Fund is designed to track the performance of the Deutsche Bank G10 Currency Future Harvest Index™– Excess Return (the “DBCFHX” or the Index”). Each share of the Fund (the “Share” or “Shares”) represents a fractional undivided beneficial interest in the net assets of the Fund.

The investment objective of the Fund is to reflect the performance of the DBCFHX, over time, less the expenses of the operation of the Fund and the Master Fund. The Fund will pursue its investment objective by investing substantially all of its assets in the Master Fund. The assets of the Master Fund consist primarily of futures contracts on the currencies comprising the DBCFHX as well as securities for margin purposes. Each Share will correlate with a Master Fund share issued by the Master Fund and held by the Fund.

The Fund is not registered as an investment company under the Investment Company Act of 1940. Both the Fund and the Master Fund are commodity pools operated by DB Commodity Services LLC (the

“Managing Owner”), a wholly-owned indirect subsidiary of Deutsche Bank AG. The Managing Owner is a registered commodity pool operator (“CPO”) and commodity trading advisor (“CTA”) with the Commodity Futures Trading Commission (“CFTC”) and a member of the National Futures Association (“NFA”). Wilmington Trust Company (the “Trustee”) is the trustee of the Fund and the Master Fund, the Bank of New York (the “Administrator”) is the administrator for the Fund and the Master Fund and ALPS Distributors, Inc. (“Distributor”) is the distributor of the shares of the Fund and the Master Fund.

On September 15, 2006, Deutsche Bank Securities Inc., as the initial purchaser, subject to certain conditions, agreed to purchase and took delivery of 1,000,000 Shares, which comprise the initial Baskets, at a purchase price of \$25.00 per Share. The Fund will issue shares on a continuous basis to Authorized Participants.¹ The Fund will issue and redeem shares only in blocks of 200,000 Shares or integral multiples thereof to Authorized Participants. A block of 200,000 Shares is called a “Basket.”

These transactions will be in exchange for a Cash Deposit Amount equal to 200,000 multiplied by the net asset value (“NAV”) per Share of the Fund determined on each business day by the Administrator. Initially, the Cash Deposit Amount will be approximately \$5 million.

The Administrator will determine the Cash Deposit Amount for a given business day by multiplying the NAV for each Share by the number of Shares in each Basket (200,000). Only registered broker-dealers that become Authorized Participants by entering into a participant agreement with the Managing Owner and the Fund may purchase or redeem Baskets. Shares will be offered to the public from time to time at prices that will reflect, among other things, the prices of the underlying futures contracts comprising the DBCFHX and the trading price of the Shares at the time of the offer. Market prices for the Shares may be different from the NAV per Share. Except when aggregated in Baskets, Shares are not redeemable securities.

The NAV of the Fund is obtained by subtracting the trust's liabilities on any day from the total assets of the Master Fund. The NAV per Share is obtained by dividing the NAV of the Fund on a given day by the number of Shares outstanding on that date. On each day on which the market is open for regular trading, shortly after 4:00 p.m. Eastern time (“ET”), the Administrator will determine the NAV and NAV per Share. The Administrator will value all futures contracts held by the Master Fund on the basis of their then current market value. However, if a futures contract on a trading day cannot be liquidated due to the operation of daily limits or other rules of an exchange upon which such futures contract is traded, the settlement price on the most recent trading day on which futures contract could have been liquidated will be used in determining NAV.

Shortly after 4:00 p.m. ET each business day, the Administrator will determine the Basket Amount for orders placed by Authorized Participants received before 1:00 p.m. ET that day. Purchase orders are irrevocable. Baskets are issued as of 12:00 noon ET, on the business day immediately following the purchase order date (T+1) at NAV per share as of the closing time of the market or the last futures exchange to close on which the Index currencies are traded, whichever is later, on the purchase order date if the required payment has been timely received. The Cash Deposit Amount and the NAV are

¹ An “Authorized Participant” is a person, who at the time of submitting to the trustee an order to create or redeem one or more Baskets, (i) is a registered broker-dealer, (ii) is a Depository Trust Company (“DTC”) Participant and (iii) has in effect a valid Participant Agreement.

communicated by the Administrator to all Authorized Participants via facsimile or electronic mail message and will be available on the Index Sponsor's website at <http://index.db.com>.

The Fund's expense ratio, in the absence of any extraordinary expenses and liabilities, is expected to be up to 0.81% of the net assets of the Fund but may be lower based on actual expenses incurred. DTC serves as securities depository for the Shares, which may be held only in bookentry form; stock certificates will not be issued. DTC, or its nominee, is the record or registered owner of all outstanding shares of the Fund.

The Registration Statement for the Fund describes the various fees and expenses for the Shares. For a more complete description of the Shares, visit the Fund's website, www.dbfunds.db.com or consult the prospectus.

Indicative Fund Value

In order to provide updated information relating to the Fund for use by investors, professionals and persons wishing to create or redeem Shares, an updated Indicative Fund Value (the "Indicative Fund Value") will be disseminated through the facilities of Consolidated Tape Association ("CTA"). The Indicative Fund Value will be disseminated on a per Share basis every 15 seconds during regular trading hours of 9:30 a.m. to 4:15 p.m. ET under the index symbol "FBV". The Indicative Fund Value will be calculated based on the cash required for creations and redemptions (i.e. NAV per Share x 200,000) adjusted to reflect the price changes of the Index currencies through investments held by the Master Fund. The Indicative Fund Value will not reflect price changes to the price of an underlying currency between the close of trading of the futures contract at the relevant futures exchange and the close of trading at 4:15 p.m. ET. The value of a Share may accordingly be influenced by non-concurrent trading hours between MEMX and the various futures exchanges on which the futures contracts based on the Index currencies are traded. The Indicative Fund Value on a per Share basis disseminated during trading hours should not be viewed as a real time update of the NAV, which is calculated only once a day by the Administrator.

The Underlying Index

DBCFHX is structured to provide a return that assumes an asset coverage ratio of 2:1. DBCFHX is intended to reflect the return from investing assets in long currency futures positions for certain currencies associated with relatively high yielding interest rates and an equal amount in short currency futures positions for certain currencies associated with relatively low yielding interest rates. The Index is calculated by DB London on both an excess return basis and a total return basis. The excess return index reflects the return of the applicable underlying currencies.

The total return is the sum of the return of the applicable underlying currencies, plus the return of three-month U.S. Treasury Bills. The Index will be calculated and disseminated every 15 seconds through Bloomberg, Reuters and on the DB London website at <http://index.db.com>.

The futures contracts on the Index currencies are rolled during the period in which the Index is re-weighted. The Index Sponsor reviews and re-weights the Index on a quarterly basis, in accordance with its rules. The futures contracts held by the Fund are, therefore, three (3) months in duration. The Index re-weighting period takes place just prior to the third Wednesday in each of March, June, September,

and December months. The futures contracts on the Index currencies are rolled during the index re-weighting period, which will occur over the fourth and third business days prior to each of the previously mentioned days.

The daily settlement prices for the futures contracts on the Index currencies are publicly available on the websites of the futures exchanges trading the particular contracts. All of the futures contracts in which the Master Fund currently expects to invest are traded on the CME, although currency futures contracts on the eligible index currencies also trade on other futures exchanges in the United States and the Master Fund may invest in such contracts. In addition, various data vendors and news publications publish futures prices and data. The futures quote and last sale information for the currencies underlying the Index are also widely disseminated through a variety of market data vendors worldwide, including Bloomberg and Reuters. In addition, complete real-time data for such futures is available by subscription from Reuters and Bloomberg. The specific contract specifications for the futures contracts are also available from the futures exchanges on their websites as well as other financial informational sources.

Purchases and Redemptions in Creation Unit Size

MEMX Members are hereby informed that procedures for purchases and redemptions of Shares in Baskets are described in the prospectus for each Trust, and that Shares are not individually redeemable but are redeemable only in Baskets or multiples thereof.

Information About the Underlying Index

Each of the underlying benchmark Indexes are structured to reflect changes in market value over time in certain sectors of commodities. For a full description of each Index, members and member organizations are referred to the Trust's Registration Statement.

DB London calculates the Indexes on both an excess return basis and a total return basis. The excess return calculation reflects the change in market value over time whether positive or negative, of the applicable underlying commodity futures only. The total return calculation reflects the sum of the change in market value over time, whether positive or negative, of the applicable underlying commodity futures plus the return on 3-month U.S. Treasury bills. The Indexes will be calculated and disseminated every 15 seconds through Bloomberg, Reuters and on the DB London website at <http://index.db.com>.

The futures contracts on the Index commodities are rolled during the period in which the related Index is re-weighted. The Index Sponsor reviews and re-weights each Index on a quarterly basis, in accordance with its rules. The futures contracts held by the Funds are, therefore, three (3) months in duration. Each Index re-weighting period takes place just prior to the third Wednesday in each of March, June, September, and December. The futures contracts on the Index commodities are rolled during the index re-weighting period, which will occur over the fourth and third business days prior to each of the previously mentioned days.

The daily settlement prices for the futures contracts on the Index commodities are publicly available on the websites of the futures exchanges trading the particular contracts. The futures contracts in which the Master Funds currently expect to invest are traded on the ICE, CBOT, LME, NYBOT or NYMEX. In addition, various data vendors and news publications publish futures prices and data. The futures quote and last

sale information for the commodities underlying the Indexes are also widely disseminated through a variety of market data vendors worldwide, including Bloomberg and Reuters.

In addition, complete real-time data for such futures is available by subscription from Reuters and Bloomberg. The specific contract specifications for the futures contracts are also available from the futures exchanges on their websites as well as other financial informational sources.

There is no regulated source of last sale information regarding physical commodities. The Securities and Exchange Commission ("SEC") has no jurisdiction over the trading of physical commodities such as aluminum, gold, crude oil, heating oil, corn or wheat, nor does it have jurisdiction over trading of commodity futures contracts or options on commodity futures contracts.

Principal Risks

An investment in the Shares carries certain risks. The following risk factors are taken from and discussed in more detail in the Registration Statements:

- Because the Shares are created to reflect the performance of the DBCFHX, these risks include the risk that market price of the Shares will be subject to fluctuations similar to those affecting the futures contracts on the underlying currencies that comprise the DBLCI.
- Owners of the Shares will not have the protections normally associated with ownership of shares in an investment company registered under the Investment Company Act of 1940 but will have the protections afforded by the Commodity Exchange Act to investors in CFTC regulated commodity pools. The Fund has a perpetual duration unless terminated earlier in certain circumstances. If certain events occur, at any time, the Trustee will be required to terminate the Fund.
- Shares trade at market prices that may differ from NAV.
- The NAV of the Shares will fluctuate with changes in the market value of the Fund's assets.
- The trading prices of the Shares will fluctuate in accordance with changes in the NAV as well as market supply and demand.
- The amount of the discount or premium in the trading price relative to the NAV per Share may be influenced by non-concurrent trading hours between the major currency futures markets and NASDAQ.
- While the Shares will trade until 4:00 p.m. ET, liquidity in the market for the futures contracts on the underlying currencies comprising the DBCFHX will be reduced after the close of the major currencies futures markets. The market for the index currencies typically close at 3:00.

In addition, it should be noted that there is no regulated source of last sale information regarding currencies and no direct regulation of the foreign currency market. The SEC has no jurisdiction over the trading of foreign currency or related futures or options, although the CFTC does have regulatory jurisdiction over such futures and options.

Please note that trading in the Fund's Shares during the pre-opening session may result in additional trading risks which include: (1) lower liquidity in the pre-opening session may impact pricing, (2) higher volatility in the pre-opening session may impact pricing, (3) wider spreads may occur in the pre-opening session.

Exchange Rules Applicable to Trading in the Shares

Trading in the Shares on MEMX is subject to MEMX trading rules.

Trading Hours

The Shares will trade on MEMX between 7:00 a.m. and 8:00 p.m. Please note that trading in the Shares during the Exchange's Pre-Market and Post-Market Sessions ("Extended Market Sessions") may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the Extended Market Sessions, (2) lower liquidity in the Extended Market Sessions may impact pricing, higher volatility in the Extended Market Sessions may impact pricing, (4) wider spreads may occur in the Extended Markets Sessions, and (5) because the indicative value is not calculated or widely disseminated during the Extended Market Sessions, an investor who is unable to calculate an implied value for the Shares in those sessions may be at a disadvantage to market professionals.

Suitability

Trading in the securities on the Exchange will be subject to the provisions of MEMX Rule 3.7 and other applicable suitability rules. Members recommending transactions in the securities to customers should make a determination that the recommendation is suitable for the customer.

Trading Halts

MEMX will halt trading in the Shares of a Fund in accordance with MEMX Rules. The grounds for a halt under MEMX Rules include a halt by the primary market because the intraday indicative value of the Fund and/or the value of its underlying index are not being disseminated as required, or a halt for other regulatory reasons. In addition, MEMX will stop trading the Shares of a Fund if the primary market delists the Fund.

Delivery of a Prospectus

Members should be mindful of applicable prospectus delivery requirements under the federal securities laws with respect to transactions in the Funds. Prospectuses may be obtained through the Funds' website. The prospectus for a Fund does not contain all of the information set forth in the Fund's registration statement (including the exhibits to the registration statement), parts of which have been omitted in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). For further information about a Fund, please refer to its registration statement.

In the event that the Funds rely upon an order by the SEC exempting the Shares from certain prospectus delivery requirements under Section 24(d) of the 1940 Act and in the future make available a written product description, MEMX Rules requires that Members provide to all purchasers of Shares a written description of the terms and characteristics of the Shares, not later than the time a confirmation of the first transaction in the Shares is delivered to such purchaser. In addition, Members must include such a written description with any sales material relating to the Shares that is provided to customers or the public. Any other written materials provided by a Member to customers or the public making specific reference to the Shares as an investment vehicle must include a statement in substantially the following

form: "A circular describing the terms and characteristics of [*the UTP Derivative Securities*] has been prepared by the [*open-ended management investment company name*] and is available from your broker. It is recommended that you obtain and review such circular before purchasing [*the UTP Derivative Securities*]."

A Member carrying an omnibus account for a non-member broker-dealer is required to inform such non-member that execution of an order to purchase Shares for such omnibus account will be deemed to constitute agreement by the non-member to make such written description available to its customers on the same terms as are directly applicable to the Member under this rule.

Upon request of a customer, Members also shall provide a copy of the Prospectus.

Relief from the Operation of CFTC Rules 4.21, 4.22 and 4.23

The Commodity Futures Trading Commission's ("CFTC") Division of Clearing and Intermediary Oversight (the "CFTC Division") issued a letter dated July 12, 2006 (the "Relief Letter") granting exemptive relief to the Managing Owner from CFTC Rules 4.21, 4.22 and 4.23. Specifically, the CFTC Division exempted the Managing Owner in connection with the operation of the Fund from: (1) the requirement of CFTC Rule 4.21(b) to obtain a signed acknowledgment of receipt of a disclosure document prior to accepting funds, securities or property from a prospective pool participant with respect to sales of Shares by Authorized Participants when Authorized Participants create additional Baskets, subsequent to the effectiveness of the registration statement; (2) the requirements of CFTC Rule 4.22 to deliver monthly account statements to purchasers of Shares; and (3) the requirement of CFTC Rule 4.23 to keep required books and records at the Managing Owner's main business office to the extent that such books and records are maintained at the offices of the Trustee or Distributor. The exemption from CFTC Rule 4.21(b) is expressly conditioned on the information required in the disclosure document being maintained and kept current on websites of the Fund, Managing Owner, Amex and the SEC.

Exemptive, Interpretive and No-Action Relief Under Federal Securities Regulations

The SEC has issued exemptive, interpretive or no-action relief from certain provisions of rules under the Securities Exchange Act of 1934 (the "Act") regarding trading in the above mentioned exchange-traded funds.

Regulation M Exemptions

The Funds are exempted under paragraph (d) of Rule 101, permitting persons who may be deemed to be participating in a distribution of the Shares to bid for or purchase Shares during their participation in such distribution. The Funds are also exempted under paragraph (d) of Rule 101 to permit the Index Sponsor, DB London/ to publish research during the applicable restricted period on the Fund's website. The No-Action Letter also exempted the Fund under paragraph (e) of Rule 102, permitting the Fund and its affiliated purchasers to redeem Shares in Baskets during the continuous offering of Shares.

Section 11(d)(1); SEC Rules 11d1-1 and 11d1-2

The SEC has taken a no-action position under Section 11(d)(1) that will permit broker-dealers that do not create Shares but engage in both proprietary and customer transactions in such Shares exclusively in the secondary market to extend or maintain or arrange for the extension or maintenance of credit on the Shares, in connection with such secondary market transactions. For broker-dealers other than the Distributor that engage in the creation of Shares, the SEC has also taken a no-action position under Rule 11d1-2 that will cover the extension or maintenance or the arrangement for the extension or maintenance of credit on the Shares that have been owned by the persons to whom credit is provided for more than 30 days.

This Product Notice is not a statutory prospectus. Members should consult the Prospectus for a security and the security's website for relevant information.

Please contact MEMX Regulation at regulation@memx.com with any inquiries regarding this Product Notice.