



## BZX Information Circular 10-072

**Date:** July 16, 2010

**Re: PowerShares DB 3X Long 25+ Year Treasury Bond ETNs  
PowerShares DB 3X Short 25+ Year Treasury Bond ETNs**

Pursuant to Rule 14.1(c)(2) of the Rules of BATS Exchange, Inc. (the "Exchange"), this Information Circular is being issued to advise you that the following securities have been approved for trading on the Exchange as UTP Derivative Securities pursuant to Chapter XIV of the Exchange's Rules.

<u>Security ("Notes")</u>	<u>Symbol</u>
PowerShares DB 3X Long 25+ Year Treasury Bond ETNs	LBND
PowerShares DB 3X Short 25+ Year Treasury Bond ETNs	SBND

**Commencement of Trading on the Exchange:** July 19, 2010

**Issuer/Trust:** Deutsche Bank AG

**Issuer Website:** <http://www.powershares.com>

**Primary Listing Exchange:** NYSE Arca

**Primary Exchange Circular:** RB-10-79 (June 29, 2010)

**Registration Statement:** No. 333-162195

The purpose of this information circular is to outline various rules and policies that will be applicable to trading in this new product on the Exchange, as well as to provide certain characteristics and features of the Notes.

### **Background Information on the Notes**

Deutsche Bank AG (the "Issuer") has issued two separate Exchange Traded Notes ("Notes"). The Notes were priced at \$25 each and mature on May 31, 2040.

The Notes do not guarantee any return of principal at maturity and do not pay any interest. For each security, investors will receive a cash payment at maturity or upon repurchase by Deutsche Bank AG, London Branch, if any, linked to the month-over-month performance of an underlying index which is referred to, in each case, as the Index, less an investor fee. For the 3x Short UST ETNs, the Index is obtained by combining three times the returns, whether positive or negative, on the DB Short US Treasury Bond Futures Index (the "short Treasury futures index") with the returns on the DB 3-Month T-Bill Index (the "TBill index"). For the 3x Long UST ETNs, the Index is obtained by combining three times the returns, whether positive or negative, on the DB Long US Treasury Bond Futures Index (the "long Treasury futures index" and, together with the short Treasury futures index, "the Treasury futures indices" and each a "Treasury futures index") with the returns on the T-Bill index. The short Treasury futures index seeks to measure the performance of a short investment in Ultra T-Bond Futures. The long Treasury futures index seeks to measure the performance of a long investment in Ultra T-Bond Futures. The TBill index is intended to approximate the returns from investing in three-month United States Treasury bills on a rolling basis. Ultra T-Bond Futures are futures contracts traded on the Board of Trade of the City of

Chicago, Inc. ("CBOT") whose underlying assets are U.S. Treasury bonds with a remaining term to maturity of not less than 25 years from the first day of the futures contract delivery month.

Each Note offers investors exposure to the month-over-month performance of its respective Index measured from the first calendar day to the last calendar day of each month. Therefore, the Notes are not designed to be long-term investments and may not be suitable for investors seeking an investment with a term greater than the time remaining to the next monthly reset date. On a month-to-month basis, the performance of the securities will be positively affected by three times any positive performance or negatively affected by three times any negative performance of the applicable Treasury futures index. This leverage feature of the Notes, when combined with the monthly application of the index factor, fee factor and reset of the principal amount, will likely cause the performance of the Notes to differ significantly from the performance of the relevant Index. Investors should consider their investment horizon as well as potential trading costs when evaluating an investment in the securities and should regularly monitor their holdings of the securities to ensure that they remain consistent with their investment strategies. Please see the prospectus for the Notes for more details regarding the calculations and details regarding each Index.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

### **Exchange Rules Applicable to Trading in the Notes**

Trading in the Notes on BATS is subject to BATS equity trading rules.

### **Trading Hours**

The Notes will trade on BATS between 8:00 a.m. and 5:00 p.m. ET.

Please note that trading in the Notes during the Exchange's Pre-Opening and After Hours Trading Sessions may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the Pre-Opening and After Hours Trading Sessions, (2) lower liquidity in the Pre-Opening and After Hours Trading Sessions may impact pricing, (3) higher volatility in the Pre-Opening and After Hours Trading Sessions may impact pricing, (4) wider spreads may occur in the Pre-Opening and After Hours Trading Sessions, and (5) because the indicative value is not calculated or widely disseminated during the Pre-Opening or After Hours Trading 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 BATS will be subject to the provisions of Exchange Rule 3.7. Members recommending transactions in the securities to customers should make a determination that the recommendation is suitable for the customer. Members should adopt appropriate procedures for the opening and maintaining of accounts, including the maintaining of records prescribed by any applicable regulatory organization and by the rules and regulations of the Commission.

### **Trading Halts**

BATS will halt trading in the shares of a security in accordance with BATS Rule 14.1(c)(4). The grounds for a halt under BATS Rule 14.1(c)(4) include a halt by the primary market because the intraday indicative value of the security and/or the value of its underlying index are not being disseminated as required, or a halt for other regulatory reasons. In addition, BATS will stop trading the shares of a security if the primary market de-lists the security.

**This Information Circular is not a statutory prospectus. BATS Members should consult the prospectus for a security and the security's website for relevant information.**

Please contact Membership Services at 913.815.7002 with any inquiries regarding this Information Circular.