

PowerShares DB Multi-Sector Commodity Trust
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POWERSHARES DB MULTI-SECTOR COMMODITY TRUST

PowerShares DB Agriculture Fund **107,372,875** **Common Units of Beneficial Interest**

PowerShares DB Multi-Sector Commodity Trust (the **Trust**) is organized in seven separate series as a Delaware statutory trust. The PowerShares DB Agriculture Fund (the **Fund**) is a series of the Trust and is offered pursuant to this Prospectus. The Fund issues common units of beneficial interest (**Shares**), which represent units of fractional undivided beneficial interest in and ownership of the Fund. Shares may be purchased from the Fund only by certain eligible financial institutions, called Authorized Participants, and only in one or more blocks of 200,000 Shares, called a Basket. Baskets are issued on the creation order settlement date as of 2:45 p.m., Eastern time, on the business day immediately following the creation order date at the applicable net asset value (**NAV**) per Share as of the closing time of the NYSE Arca, Inc. (**NYSE Arca**) or the last to close of the exchanges on which the Fund's futures contracts are traded, whichever is later, on the creation order date. Upon submission of a creation order, the Authorized Participant may request the Managing Owner to agree to a creation order settlement date up to two business days after the creation order date.

Authorized Participants may sell the Shares comprising the Baskets they purchase from the Fund to other investors at prices that are expected to reflect, among other factors, the trading price of the Shares on the NYSE Arca and the supply of and demand for Shares at the time of sale and are expected to fall between NAV and the trading price of the Shares on the NYSE Arca at the time of sale.

The Shares trade on the NYSE Arca under the symbol **DBA**.

Invesco PowerShares Capital Management LLC serves as the Fund's managing owner (the **Managing Owner**), commodity pool operator and commodity trading advisor. The Fund trades exchange-traded futures contracts on the commodities comprising the DBIQ Diversified Agriculture Index Excess Return (the **Index**) with a view to tracking the Index over time. The Fund also earns interest income from United States Treasury Securities (**Treasury Income**) and dividends from its holdings in money market mutual funds (affiliated or otherwise) (**Money Market Income**). The Fund also gains an exposure to United States Treasury Securities through an investment in exchange-traded funds (affiliated or otherwise) (**ETFs**) that track indexes that measure the performance of U.S. Treasury Obligations with a maximum remaining maturity of up to twelve months (**T-Bill ETFs**), and the Fund may receive dividends or distributions of capital gains from such investment in T-Bill ETFs (**T-Bill ETF Income**). Additionally, the Fund's performance reflects the appreciation or depreciation of its investments in United States Treasury Securities, money market mutual funds and T-Bill ETFs.

The Index, which is comprised of one or more underlying commodities (the Index Commodities), is intended to reflect the agricultural sector. The Index Commodities consist of Corn, Soybeans, Wheat, Kansas City Wheat, Sugar, Cocoa, Coffee, Cotton, Live Cattle, Feeder Cattle, and Lean Hogs.

Except when aggregated in Baskets, the Shares are not redeemable securities.

INVESTING IN THE SHARES INVOLVES SIGNIFICANT RISKS. PLEASE REFER TO RISK FACTORS BEGINNING ON PAGE 13.

Futures trading is volatile and even a small movement in market prices could cause large losses.

The success of the Fund's trading program depends upon the skill of the Managing Owner and its trading principals.

You could lose all or substantially all of your investment.

The Index is concentrated in a small number of commodities. Concentration may result in greater volatility.

Investors pay fees in connection with their investment in the Shares, including asset-based fees of 0.85% per annum. Additional charges include brokerage fees of approximately 0.04% per annum in the aggregate. Authorized Participants may offer to the public, from time-to-time, Shares from any Baskets they create. Shares offered to the public by Authorized Participants will be offered at a per-Share offering price that will vary depending on, among other factors, the trading price of the Shares on the NYSE Arca, the NAV per Share and the supply of and demand for the Shares at the time of the offer. Shares initially comprising the same Basket but offered by Authorized Participants to the public at different times may have different offering prices. Authorized Participants will not receive from the Fund, the Managing Owner or any of their affiliates any fee or other compensation in connection with their sale of Shares to the public.

An Authorized Participant may receive commissions or fees from investors who purchase Shares through their commission or fee-based brokerage accounts. In addition, the Managing Owner pays a distribution services fee to Invesco Distributors, Inc. and pays a marketing services fee to Deutsche Bank Securities Inc. (DBSI) without reimbursement from the Trust or the Fund. For more information regarding items of compensation paid to Financial Industry Regulatory Authority, Inc. (FINRA) members, please see the Plan of Distribution section on page 94.

These securities have not been approved or disapproved by the U.S. Securities and Exchange Commission (SEC) or any state securities commission nor has the SEC or any state securities commission passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense. The Fund is not a mutual fund or any other type of investment company within the meaning of the Investment Company Act of 1940, as amended, and is not subject to regulation thereunder.

THE COMMODITY FUTURES TRADING COMMISSION HAS NOT PASSED UPON THE MERITS OF PARTICIPATING IN THIS POOL NOR HAS THE COMMISSION PASSED ON THE ADEQUACY OR ACCURACY OF THIS DISCLOSURE DOCUMENT.

March 27, 2018

COMMODITY FUTURES TRADING COMMISSION

RISK DISCLOSURE STATEMENT

YOU SHOULD CAREFULLY CONSIDER WHETHER YOUR FINANCIAL CONDITION PERMITS YOU TO PARTICIPATE IN A COMMODITY POOL. IN SO DOING, YOU SHOULD BE AWARE THAT COMMODITY INTEREST TRADING CAN QUICKLY LEAD TO LARGE LOSSES AS WELL AS GAINS. SUCH TRADING LOSSES CAN SHARPLY REDUCE THE NET ASSET VALUE OF THE POOL AND CONSEQUENTLY THE VALUE OF YOUR INTEREST IN THE POOL. IN ADDITION, RESTRICTIONS ON REDEMPTIONS MAY AFFECT YOUR ABILITY TO WITHDRAW YOUR PARTICIPATION IN THE POOL.

FURTHER, COMMODITY POOLS MAY BE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT, AND ADVISORY AND BROKERAGE FEES. IT MAY BE NECESSARY FOR THOSE POOLS THAT ARE SUBJECT TO THESE CHARGES TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETION OR EXHAUSTION OF THEIR ASSETS. THIS DISCLOSURE DOCUMENT CONTAINS A COMPLETE DESCRIPTION OF EACH EXPENSE TO BE CHARGED THIS POOL AT PAGE 49 AND A STATEMENT OF THE PERCENTAGE RETURNS NECESSARY TO BREAK EVEN, THAT IS, TO RECOVER THE AMOUNT OF YOUR INITIAL INVESTMENT, AT PAGE 27.

THIS BRIEF STATEMENT CANNOT DISCLOSE ALL THE RISKS AND OTHER FACTORS NECESSARY TO EVALUATE YOUR PARTICIPATION IN THIS COMMODITY POOL. THEREFORE, BEFORE YOU DECIDE TO PARTICIPATE IN THIS COMMODITY POOL, YOU SHOULD CAREFULLY STUDY THIS DISCLOSURE DOCUMENT, INCLUDING A DESCRIPTION OF THE PRINCIPAL RISK FACTORS OF THIS INVESTMENT, AT PAGES 13 THROUGH 25.

YOU SHOULD ALSO BE AWARE THAT THIS COMMODITY POOL MAY TRADE FOREIGN FUTURES OR OPTIONS CONTRACTS. TRANSACTIONS ON MARKETS LOCATED OUTSIDE THE UNITED STATES, INCLUDING MARKETS FORMALLY LINKED TO A UNITED STATES MARKET, MAY BE SUBJECT TO REGULATIONS WHICH OFFER DIFFERENT OR DIMINISHED PROTECTION TO THE POOL AND ITS PARTICIPANTS. FURTHER, UNITED STATES REGULATORY AUTHORITIES MAY BE UNABLE TO COMPEL THE ENFORCEMENT OF THE RULES OF REGULATORY AUTHORITIES OR MARKETS IN NON-UNITED STATES JURISDICTIONS WHERE TRANSACTIONS FOR THE POOL MAY BE EFFECTED.

THIS PROSPECTUS DOES NOT INCLUDE ALL OF THE INFORMATION OR EXHIBITS IN THE REGISTRATION STATEMENT OF THE TRUST OR FUND. YOU CAN READ AND COPY THE ENTIRE REGISTRATION STATEMENT AT THE PUBLIC REFERENCE FACILITIES MAINTAINED BY THE SEC IN WASHINGTON, D.C.

THE FUND FILES QUARTERLY AND ANNUAL REPORTS WITH THE SEC. YOU CAN READ AND COPY THESE REPORTS AT THE SEC PUBLIC REFERENCE FACILITIES IN WASHINGTON, D.C. PLEASE CALL THE SEC AT 1-800-SEC-0330 FOR FURTHER INFORMATION.

THE FILINGS OF THE TRUST AND FUND ARE POSTED AT THE SEC WEBSITE AT [HTTP://WWW.SEC.GOV](http://www.sec.gov).

REGULATORY NOTICES

NO DEALER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE TRUST, THE FUND, THE MANAGING OWNER, THE AUTHORIZED PARTICIPANTS OR ANY OTHER PERSON.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO SELL OR A SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY OFFER, SOLICITATION, OR SALE OF THE SHARES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION, OR SALE IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE ANY SUCH OFFER, SOLICITATION, OR SALE.

THE BOOKS AND RECORDS OF THE FUND ARE MAINTAINED AS FOLLOWS: ALL MARKETING MATERIALS ARE MAINTAINED AT THE OFFICES OF INVESCO DISTRIBUTORS, INC., 11 GREENWAY PLAZA, SUITE 1000, HOUSTON, TEXAS 77046-1173; TELEPHONE NUMBER (800) 983-0903; BASKET CREATION AND REDEMPTION BOOKS AND RECORDS, ACCOUNTING AND CERTAIN OTHER FINANCIAL BOOKS AND RECORDS (INCLUDING FUND ACCOUNTING RECORDS, LEDGERS WITH RESPECT TO ASSETS, LIABILITIES, CAPITAL, INCOME AND EXPENSES, THE REGISTRAR, TRANSFER JOURNALS AND RELATED DETAILS) AND TRADING AND RELATED DOCUMENTS RECEIVED FROM FUTURES COMMISSION MERCHANTS ARE MAINTAINED BY THE BANK OF NEW YORK MELLON, 2 HANSON PLACE, BROOKLYN, NEW YORK 11217, TELEPHONE NUMBER (718) 315-7500. ALL OTHER BOOKS AND RECORDS OF THE FUND (INCLUDING MINUTE BOOKS AND OTHER GENERAL CORPORATE RECORDS, TRADING RECORDS AND RELATED REPORTS AND OTHER ITEMS RECEIVED FROM THE FUND'S COMMODITY BROKERS) ARE MAINTAINED AT THE FUND'S PRINCIPAL OFFICE, C/O INVESCO POWERSHARES CAPITAL MANAGEMENT LLC, 3500 LACEY ROAD, SUITE 700, DOWNERS GROVE, ILLINOIS 60515; TELEPHONE NUMBER (800) 983-0903. SHAREHOLDERS WILL HAVE THE RIGHT, DURING NORMAL BUSINESS HOURS, TO HAVE ACCESS TO AND COPY (UPON PAYMENT OF REASONABLE REPRODUCTION COSTS) SUCH BOOKS AND RECORDS IN PERSON OR BY THEIR AUTHORIZED ATTORNEY OR AGENT. MONTHLY ACCOUNT STATEMENTS FOR THE FUND CONFORMING TO COMMODITY FUTURES TRADING COMMISSION (CFTC) AND THE NATIONAL FUTURES ASSOCIATION (NFA) REQUIREMENTS ARE POSTED ON THE MANAGING OWNER'S WEBSITE AT [HTTP://WWW.POWERSHARES.COM](http://www.powershares.com). ADDITIONAL REPORTS MAY BE POSTED ON THE MANAGING OWNER'S WEBSITE IN THE DISCRETION OF THE MANAGING OWNER OR AS REQUIRED BY REGULATORY AUTHORITIES. INFORMATION ON THE MANAGING OWNER'S WEBSITE SHALL NOT BE DEEMED TO BE A PART OF THIS PROSPECTUS OR INCORPORATED BY REFERENCE HEREIN UNLESS OTHERWISE EXPRESSLY STATED. THERE WILL SIMILARLY BE DISTRIBUTED TO SHAREHOLDERS, NOT MORE THAN 90 DAYS AFTER THE CLOSE OF THE FUND'S FISCAL YEAR, CERTIFIED AUDITED FINANCIAL STATEMENTS AND (IN NO EVENT LATER THAN MARCH 15 OF THE IMMEDIATELY FOLLOWING YEAR) THE TAX INFORMATION RELATING TO SHARES OF THE FUND NECESSARY FOR THE PREPARATION OF SHAREHOLDERS ANNUAL FEDERAL INCOME TAX RETURNS.

THE DIVISION OF INVESTMENT MANAGEMENT OF THE SECURITIES AND EXCHANGE COMMISSION REQUIRES THAT THE FOLLOWING STATEMENT BE PROMINENTLY SET FORTH HEREIN: NEITHER POWERSHARES DB MULTI-SECTOR COMMODITY TRUST NOR ANY SERIES THEREOF IS A MUTUAL FUND OR ANY OTHER TYPE OF INVESTMENT COMPANY WITHIN THE MEANING OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED, AND IS NOT SUBJECT TO REGULATION THEREUNDER.

**AUTHORIZED PARTICIPANTS MAY BE REQUIRED TO DELIVER A PROSPECTUS WHEN
TRANSACTIONING IN SHARES. SEE PLAN OF DISTRIBUTION.**

PART ONE

DISCLOSURE DOCUMENT

<u>SUMMARY</u>	1
<u>RISK FACTORS</u>	13
<u>FORWARD-LOOKING STATEMENTS</u>	26
<u>INVESTMENT OBJECTIVE</u>	26
<u>BREAKEVEN ANALYSIS</u>	27
<u>PERFORMANCE OF POWERSHARES DB AGRICULTURE FUND (TICKER: DBA), A SERIES OF POWERSHARES DB MULTI-SECTOR COMMODITY TRUST</u>	31
<u>DESCRIPTION OF THE DBIQ DIVERSIFIED AGRICULTURE INDEX EXCESS RETURN</u>	33
<u>USE OF PROCEEDS</u>	48
<u>CHARGES</u>	49
<u>WHO MAY SUBSCRIBE</u>	50
<u>CREATION AND REDEMPTION OF SHARES</u>	51
<u>THE COMMODITY BROKER</u>	54
<u>CONFLICTS OF INTEREST</u>	61
<u>DESCRIPTION OF THE SHARES; THE FUND; CERTAIN MATERIAL TERMS OF THE TRUST AGREEMENT</u>	63
<u>DISTRIBUTIONS</u>	71
<u>THE ADMINISTRATOR, CUSTODIAN AND TRANSFER AGENT</u>	71
<u>INVESCO DISTRIBUTORS, INC.</u>	72
<u>INDEX SPONSOR</u>	72
<u>MARKETING AGENT</u>	73
<u>THE SECURITIES DEPOSITORY; BOOK-ENTRY-ONLY SYSTEM; GLOBAL SECURITY</u>	74
<u>SHARE SPLITS</u>	75
<u>MATERIAL CONTRACTS</u>	75
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS</u>	80
<u>PURCHASES BY EMPLOYEE BENEFIT PLANS</u>	92
<u>PLAN OF DISTRIBUTION</u>	94
<u>LEGAL MATTERS</u>	97
<u>EXPERTS</u>	98
<u>ADDITIONAL INFORMATION</u>	98
<u>RECENT FINANCIAL INFORMATION AND ANNUAL REPORTS</u>	98
<u>INCORPORATION BY REFERENCE OF CERTAIN DOCUMENTS</u>	98

PART TWO

**STATEMENT OF ADDITIONAL
INFORMATION**

<u>General Information Relating to Invesco PowerShares Capital Management LLC</u>	102
<u>The Futures Markets</u>	102
<i><u>Futures Contracts</u></i>	102
<i><u>Hedgers and Speculators</u></i>	102
<i><u>Futures Exchanges</u></i>	102
<i><u>Regulations</u></i>	103
<i><u>Margin</u></i>	104

SUMMARY

*This summary of material information contained or incorporated by reference in this Prospectus is intended for quick reference only and does not contain all of the information that may be important to you. For ease of reference, any references throughout this Prospectus to various actions taken by the Fund are actually actions that the Trust has taken on behalf of the Fund. The remainder of this Prospectus contains more detailed information. You should read the entire Prospectus, including the information incorporated by reference in this Prospectus, before deciding whether to invest in Shares. Please see the section *Incorporation by Reference of Certain Documents* for information on how you can obtain the information that is incorporated by reference in this Prospectus. This Prospectus is dated March 27, 2018.*

The Trust and the Fund

PowerShares DB Multi-Sector Commodity Trust (the *Trust*) was formed as a Delaware statutory trust, in seven separate series, or funds, on August 3, 2006. PowerShares DB Agriculture Fund (the *Fund*) is a series of the Trust. The Fund issues common units of beneficial interest (*Shares*), which represent units of fractional undivided beneficial interest in and ownership of the Fund. The term of the Trust and the Fund is perpetual (unless terminated earlier in certain circumstances). The principal executive offices of the Trust and the Fund are located at c/o Invesco PowerShares Capital Management LLC, 3500 Lacey Road, Suite 700, Downers Grove, IL 60515, and its telephone number is (800) 983-0903.

The Trust was organized in separate series as a Delaware statutory trust rather than as separate statutory trusts in order to achieve certain administrative efficiencies. As of the date of this Prospectus, the Trust consists of the following seven series: PowerShares DB Energy Fund, PowerShares DB Oil Fund, PowerShares DB Precious Metals Fund, PowerShares DB Gold Fund, PowerShares DB Silver Fund, PowerShares DB Base Metals Fund and PowerShares DB Agriculture Fund. This Prospectus is for the Fund only and not for the first six funds listed in the prior sentence (the *Sectors Funds*). The Sectors Funds are not being offered by this Prospectus. Information regarding both the Fund and the Sectors Funds (and any

other additional series of the Trust) is available at www.powershares.com.

Shares Listed on the NYSE Arca

The Shares are listed on the NYSE Arca under the symbol *DBA*.

Secondary market purchases and sales of Shares are subject to ordinary brokerage commissions and charges.

Purchases and Sales in the Secondary Market on the NYSE Arca

Individual Shares may be purchased and sold only on the NYSE Arca. Because the Shares will trade at market prices, rather than the net asset value (*NAV*) of the Fund, Shares may trade at prices greater than NAV (at a premium), at NAV, or less than NAV (at a discount).

Baskets may be created or redeemed directly with the Fund only by Authorized Participants. It is expected that Baskets will be created when the market price per Share is at a premium to the NAV per Share. Similarly, it is expected that Baskets will be redeemed when the market price per Share is at a discount to the NAV per Share. Retail

investors seeking to purchase or sell Shares on any day are expected to effect such transactions in the secondary market, on the NYSE Arca, at the market price per Share, rather than in connection with the creation or redemption of Baskets.

The market price of the Shares may not be identical to the NAV per Share, but these valuations are expected to be very close. Investors are able to use the intra-day indicative value (IIV) per Share to determine if they want to purchase in the secondary market via the NYSE Arca. The IIV per Share is based on the prior day's final NAV, adjusted four times per minute throughout the trading day to reflect the price changes of the Fund's futures positions. As a result, the IIV provides a continuously updated estimate of the Fund's NAV per Share.

Retail investors may purchase and sell Shares through traditional brokerage accounts. Purchases or sales of Shares may be subject to brokerage commissions. Investors are encouraged to review the terms of their brokerage accounts for applicable charges.

Pricing Information Available on the NYSE Arca and Other Sources

The following table lists additional NYSE Arca symbols and their meanings with respect to the Fund and the Index:

DBA	Market price per Share on NYSE Arca
DBA.IV	IIV per Share
DBA.NV	End of day NAV of the Fund
DBAGIX	Intra-day Index closing level
DBLCDBAE	End of day Index closing level as of close of NYSE Arca

The intra-day data in the above table, including the IIV, is published once every fifteen seconds throughout each trading day.

The Index Sponsor (as defined herein) calculates and publishes the closing level of the Index daily. The Managing Owner publishes the NAV of the Fund and the NAV per Share daily.

All of the foregoing information is published as follows:

The intra-day level of the Index (symbol: DBAGIX) and the IIV per Share (symbol: DBA.IV) (each quoted in U.S. dollars) are published once every fifteen seconds throughout each trading day on the consolidated tape, Reuters and/or Bloomberg and on the Managing Owner's website at <http://www.powershares.com>, or any successor thereto.

The current trading price per Share (symbol: DBA) (quoted in U.S. dollars) is published continuously as trades occur throughout each trading day on the consolidated tape, Reuters and/or Bloomberg and on the Managing Owner's website at <http://www.powershares.com>, or any successor thereto.

The most recent end-of-day Index closing level (symbol: DBLCDBAE) is published as of the close of business for the NYSE Arca each trading day on the consolidated tape, Reuters and/or Bloomberg and on the Managing Owner's website at <http://www.powershares.com>, or any successor thereto.

The most recent end-of-day NAV of the Fund (symbol: DBA.NV) is published as of the close of business on Reuters and/or Bloomberg and on the

Managing Owner's website at <http://www.powershares.com>, or any successor thereto. In addition, the most recent end-of-day NAV of the Fund (symbol: DBA.NV) is published the following morning on the consolidated tape.

All of the foregoing information with respect to the Index, including the Index's history, is also published at <https://index.db.com>.

The Index Sponsor obtains information for inclusion in, or for use in the calculation of, the Index from sources the Index Sponsor considers reliable. None of the Index Sponsor, the Managing Owner, the Fund or any of their respective affiliates accepts responsibility for or guarantees the accuracy and/or completeness of the Index or any data included in the Index.

Information on the Managing Owner's website shall not be deemed to be a part of this Prospectus or incorporated by reference herein unless otherwise expressly stated.

CUSIP Number

The CUSIP number of the Fund is 73936B408.

Risk Factors

An investment in the Shares is speculative and involves a high degree of risk. The summary risk factors set forth below are intended merely to highlight certain risks of the Fund. The Fund has additional risks that are set forth elsewhere in this Prospectus.

Past performance is not necessarily indicative of future results; all or substantially all of an investment in the Fund could be lost.

The Fund's trading of futures contracts takes place in very volatile markets.

The Fund is subject to fees and expenses in the aggregate amount of approximately 0.89% per annum and will be successful only if its annual returns from futures trading, plus its annual Treasury Income, and any Money Market Income and T-Bill ETF Income, exceed such fees and expenses.

The Fund is subject to position limits from the Commodity Futures Trading Commission (CFTC) and/or futures exchange rules. If the Fund were to reach a position limit, its ability to issue new Baskets or to reinvest income in additional futures contracts may be impaired or

limited. This may adversely affect the correlation between the market price of the Shares and the NAV of the Fund, which could result in Shares trading at a premium or discount to NAV of the Fund.

There can be no assurance that the Fund will achieve profits or avoid losses, significant or otherwise.

Performance of the Fund may not track the Index during particular periods or over the long term. Such tracking error may cause the Fund to outperform or underperform the Index.

Disruptions in the ability to create or redeem Baskets may adversely affect investors.

Certain potential conflicts of interest exist between the Managing Owner, the Commodity Broker (as defined herein) and their affiliates and the Fund's shareholders (Shareholders).

Although the Managing Owner attempts to monitor for conflicts, it is extremely difficult, if not impossible, for the Managing Owner to ensure that the conflicts will not, in fact, result in adverse consequences to the Fund and the Shareholders.

The Fund's NAV may not always correspond to the market price of the Shares and, as a result, Baskets may be created or redeemed at a value that differs from the market price of the Shares.

Shareholders will be subject to taxation on their allocable share of the Fund's taxable income, whether or not they receive cash distributions.

The Trustee

Wilmington Trust Company (the Trustee), a Delaware trust company, is the sole trustee of the Trust. The Trustee's duties and liabilities with respect to the offering of the Shares and the management of the Fund are limited to its express obligations under the Fifth Amended and Restated Declaration of Trust and Trust Agreement (the Trust Agreement).

Investment Objective

The Fund seeks to track changes, whether positive or negative, in the level of the DBIQ Diversified Agriculture Index Excess Return (the Index) over time, plus the excess, if any, of the sum of the Fund's

Treasury Income, Money Market Income and T-Bill ETF Income, over the expenses of the Fund. The Fund invests in futures contracts in an attempt to track its Index. The Fund holds Treasury Securities, money market mutual funds and T-Bill ETFs for margin and/or cash management purposes only, and the Fund's performance reflects the appreciation or depreciation of such securities.

The Shares are designed for investors who want a cost-effective and convenient way to invest in commodity futures on U.S. and non-U.S. markets.

Advantages of investing in the Fund include:

Ease and Flexibility of Investment. The Shares trade on the NYSE Arca and provide institutional and retail investors with indirect access to commodity futures markets. The Shares may be bought and sold on the NYSE Arca like other exchange-listed securities. Retail investors may purchase and sell Shares through traditional brokerage accounts.

Margin. Shares are eligible for margin accounts.

Diversification. The Shares may help to diversify a portfolio of other investments because historically the Index has tended to exhibit low to negative correlation with both equities and conventional bonds and positive correlation to inflation.

Optimum Yield . A portion of the Index utilizes an Optimum Yield methodology, which seeks to minimize the effects of negative roll yield that may be experienced by conventional commodities indexes. Negative roll yield is a term that describes the adverse impact of an upward-sloping price curve for futures contracts, which makes it more expensive to replace expiring contracts with new contracts.

Transparency. The Shares provide a more direct investment in commodities than mutual funds or ETFs that invest in commodity-linked notes or otherwise gain indirect exposure to commodities, which may have implicit imbedded costs, credit risk and other potentially opaque features.

Investing in the Fund does not insulate Shareholders from certain risks, including volatility in the spot prices of the commodities comprising the Index.

In addition, the Fund seeks to mitigate the adverse consequences of negative roll yield and to maximize the potential benefits of positive roll yield by tracking the Index. However, it may not be successful in doing so.

The Fund pursues its investment objective by investing in a portfolio of exchange-traded futures on the commodities comprising the Index.

The Index, which is comprised of one or more underlying commodities (Index Commodities), is intended to reflect the agricultural sector. The Index Commodities consist of Corn, Soybeans, Wheat, Kansas City Wheat, Sugar, Cocoa, Coffee, Cotton, Live Cattle, Feeder Cattle, and Lean Hogs.

The Fund trades futures contracts on Index Commodities (Index Contracts) that are subject to position limits under regulations of the CFTC or futures exchange rules, as applicable. The Managing Owner may determine to invest in other futures contracts if at any time it is impractical or inefficient to gain full or partial exposure to any Index Commodity through the use of Index Contracts. These other futures contracts may or may not be based on an Index Commodity. When they are not, the Managing Owner seeks to select futures contracts that it reasonably believes tend to exhibit trading prices that correlate with an Index Contract.

As the Fund approaches or reaches position limits with respect to an Index Commodity, the Fund may commence investing in Index Contracts that reference other Index Commodities. In those circumstances, the Fund may also trade in futures contracts based on commodities other than Index Commodities that the Managing Owner reasonably believes tend to exhibit trading prices that correlate with an Index Contract.

The Index Sponsor calculates the Index on an excess return basis. The excess return basis calculation reflects the change in market value over time, whether positive or negative, of the applicable underlying commodity futures only.

The Fund also holds United States Treasury Securities for deposit with the Fund's Commodity Broker as margin and United States Treasury Securities, cash and money market mutual funds (affiliated or otherwise) on deposit with the Custodian (for cash management purposes). Additionally, the Fund gains an exposure to United States Treasury Securities, with a maximum remaining maturity of up to 12 months, through its holdings of T-Bill ETFs (affiliated or otherwise). Such holdings of T-Bill ETFs are on deposit

with the Custodian (for cash management purposes) and may be held by the Fund's Commodity Broker as margin, to the extent permissible under CFTC rules.

General

Each of the DBIQ Optimum Yield Index Excess Return (DBIQ-OYER) and the DBIQ Index Excess Return (DBIQ ER) (collectively, DBIQ or DBIQ ER), is intended to reflect the changes in market value, positive or negative, in certain sectors of commodities, or an index. The Index is calculated on an excess return, or unfunded basis. The Index is rolled on both an Optimum Yield™ and non-Optimum Yield™ basis. The Optimum Yield™ rolling methodology is aimed at potentially maximizing the roll benefits in backwardated markets and minimizing the losses from rolling in contangoed markets. The non-Optimum Yield™ portion of the Index is rolled to the next to expire futures contract as provided below under Contract Selection (Non-OY Single Commodity Indexes only). The Index is comprised of one or more Index Commodities. Each Index Commodity is assigned a weight (Index Base Weight), which is intended to reflect the proportion of such Index Commodity relative to the Index.

The Index has been calculated back to a base date (Base Date). On the Base Date of January 18, 1989, the closing level of the Index (the Closing Level) was 100.

The sponsor of the Index is Deutsche Bank Securities Inc. (the Index Sponsor).

Composition of the Index

The Index is composed of notional amounts of each of the underlying Index Commodities. The notional amount of each Index Commodity included in the Index is intended to reflect the changes in market value of each such Index Commodity within the Index. The Closing Level of the Index is calculated on each Index Business Day (as defined below) by the Index Sponsor based on the closing price of the futures contracts for each of the underlying Index Commodities and the notional amounts of such Index Commodities.

The Index is rebalanced annually in November to ensure that each of the Index Commodities is weighted in the same proportion that such Index Commodities were weighted on the Base Date.

The composition of the Index may be adjusted in the event that the Index Sponsor is not able to calculate the closing prices of the Index Commodities.

The Index includes provisions for the replacement of futures contracts as they approach maturity. This replacement takes place over a period of time in order to lessen the impact on the market for the futures contracts being replaced. With respect to each Index Commodity, the Fund employs a rule-based approach when it rolls from one futures contract to another. The Index is comprised of OY Single Commodity Indexes and non-OY Single Commodity Indexes. The Index Commodities that underlie the OY Single Commodity Indexes are Corn, Soybeans, Wheat, Kansas City Wheat and Sugar. The Index Commodities that underlie the non-OY Single Commodity Indexes are Cocoa, Coffee, Cotton, Live Cattle, Feeder Cattle and Lean Hogs. The OY Single Commodity Indexes are rolled to the futures contract which generates the best possible implied roll yield under prevailing market conditions. Where there is an upward-sloping price curve for futures contracts, the implied roll yield is expected to be negative. The selection of a new futures contract on an Index Commodity in such market conditions is designed to minimize the impact of negative roll yield. Conversely, where there is a downward-sloping price curve for futures contracts, the implied roll yield is expected to be positive. The selection of a new futures contract on the Index Commodities in such market conditions is designed to maximize the impact of positive roll yield. The OY Single Commodity Indexes take the impact of implied roll yield into consideration by selecting, as the replacement for an expiring futures contract, the futures contract with a delivery month within the next thirteen months that generates the most favorable implied roll yield under the current market conditions.

The market condition in which the Index is designed to maximize the effect of positive roll yield when entering into new futures contracts is called backwardation. Rolling in a backwardated market will tend to enhance returns from futures trading. The market condition in which the Index is designed to mitigate the effect of negative roll yield when entering into new futures contracts is called contango. Rolling in a contangoed market will tend to cause a drag on returns from futures trading.

Each of the non-OY Single Commodity Indexes rolls only to the next to expire futures contract as provided below under Contract Selection (Non-OY Single Commodity Indexes only).

The Fund's returns from futures trading are called excess return, which is the combined return based on the spot prices of the Index Commodities and the roll yield from trading futures contracts on the Index Commodity.

Contract Selection (OY Single Commodity Indexes only)

On the first Index Business Day of each month (Verification Date), each Index Commodity futures contract will be tested in order to determine whether to continue including it in the applicable OY Single Commodity Index. If the Index Commodity futures contract requires delivery of the underlying commodity in the next month, known as the Delivery Month, a new Index Commodity futures contract will be selected for inclusion in such OY Single Commodity Index. For example, if the first Index Business Day is May 1 of the current year, and the Delivery Month of the Index Commodity futures contract currently in such OY Single Commodity Index is June of the current year, a new Index Commodity futures contract with a later Delivery Month will be selected.

For each underlying Index Commodity of an OY Single Commodity Index, the new Index Commodity futures contract selected will be the Index Commodity futures contract with the best possible implied roll yield based on the closing price for each eligible Index Commodity futures contract. Eligible Index Commodity futures contracts are any Index Commodity futures contracts having a Delivery Month (i) no sooner than the month after the Delivery Month of the Index Commodity futures contract currently in such OY Single Commodity Index, and (ii) no later than the thirteenth month after the Verification Date. For example, if the first Index Business Day is May 1 of the current year and the Delivery Month of an Index Commodity futures contract currently in an OY Single Commodity Index is therefore June of the current year, the Delivery Month of an eligible new Index Commodity futures contract must be between July of the current year and June of the following year. The implied roll yield is then calculated and the futures contract on the Index Commodity with the best possible implied roll yield is then selected. If two futures contracts have the same implied roll yield, the futures contract with the minimum number of months prior to the

Delivery Month is selected.

After selection of the replacement futures contract, each OY Single Commodity Index will roll such replacement futures contract as provided in the sub-paragraph Monthly Index Roll Period with respect to both OY Single Commodity Indexes and Non-OY Single Commodity Indexes.

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Contract Selection (Non-OY Single Commodity Indexes only)

On the first Index Business Day of each month, each non-OY Single Commodity Index will select a new futures contract to replace the old futures contract as provided in the following schedule.

Contract	Exchange (Symbol)	Month											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cocoa	ICE-US (CC)	H	K	K	N	N	U	U	Z	Z	Z	H	H
Coffee	ICE-US (KC)	H	K	K	N	N	U	U	Z	Z	Z	H	H
Cotton	ICE-US (CT)	H	K	K	N	N	Z	Z	Z	Z	Z	H	H
Live Cattle	CME (LC)	J	J	M	M	Q	Q	V	V	Z	Z	G	G
Feeder Cattle	CME (FC)	H	J	K	Q	Q	Q	U	V	X	F	F	H
Lean Hogs	CME (LH)	J	J	M	M	N	Q	V	V	Z	Z	G	G

Month	Month Letter Code
January	F
February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

After selection of the replacement futures contract, each non-OY Single Commodity Index will roll such replacement futures contract as provided in the sub-paragraph Monthly Index Roll Period with respect to both OY Single Commodity Indexes and Non-OY Single Commodity Indexes.

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Monthly Index Roll Period with respect to both OY Single Commodity Indexes and Non-OY Single Commodity Indexes

After the futures contract selection with respect to both OY Single Commodity Indexes and non-OY Single Commodity Indexes, the monthly roll for each Index Commodity subject to a roll in that particular month unwinds the old futures contract and enters a position in the new futures contract. This takes place between the second and sixth Index Business Day of the month.

On each day during the roll period, new notional holdings are calculated. The calculations for the old Index Commodities that are leaving the Index and the new Index Commodities are then calculated.

On all days that are not monthly index roll days, the notional holdings of each Index Commodity future remains constant.

The Index is re-weighted on an annual basis on the sixth Index Business Day of each November.

The calculation of the Index is expressed as the weighted average return of the Index Commodities.

Shares Should Track Closely the Value of the Index

The Shares are intended to provide investment results that generally correspond to changes, positive or negative, in the levels of the Index over time.

The value of the Shares is expected to fluctuate in relation to changes in the value of the Fund's portfolio. The market price of the Shares may not be identical to the NAV per Share, but these two valuations are expected to be very close.

The Fund holds a portfolio of long futures contracts on the Index Commodities which comprise its Index, each of which are traded on various commodity futures markets in the United States and abroad. The Fund also holds United States Treasury Securities for deposit with the Fund's commodity broker as margin and United States Treasury Securities, cash and money market mutual funds (affiliated or otherwise) on deposit with the custodian (for margin and/or cash management purposes). In addition, the Fund gains an exposure to United States Treasury Securities with a maximum remaining maturity of up to twelve months through its

holdings of T-Bill ETFs (affiliated or otherwise). Such holdings of T-Bill ETFs are on deposit with the custodian (for margin and/or cash management purposes) and may be held by the Fund's commodity broker as margin, to the extent permissible under CFTC rules.

The Fund's portfolio is traded with a view to tracking the Index over time, whether the Index is rising, falling or flat over any particular period. The Fund is not managed by traditional methods, which typically involve effecting changes in the composition of the Fund's portfolio on the basis of judgments relating to economic, financial and market considerations with a view to obtaining positive results under all market conditions.

The Managing Owner

Invesco PowerShares Capital Management LLC, a Delaware limited liability company, serves as Managing Owner of the Trust and the Fund. The Managing Owner was formed on February 7, 2003. The Managing Owner is an affiliate of Invesco Ltd. The Managing Owner was formed to be the managing owner of investment vehicles such as ETFs and has been managing non-commodity futures based ETFs since 2003 and a commodity futures based ETF since 2014. The Managing Owner serves as the commodity pool operator and commodity trading advisor of the Trust and the Fund. The Managing Owner is registered as a commodity pool operator and commodity trading advisor with the

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CFTC and is a member of, and approved as a swap firm by, the National Futures Association (the NFA). As a registered commodity pool operator and commodity trading advisor, with respect to both the Trust and the Fund, the Managing Owner must comply with various regulatory requirements under the United States Commodity Exchange Act of 1936, as amended (the Commodity Exchange Act) and the rules and regulations of the CFTC and the NFA, including investor protection requirements, antifraud prohibitions, disclosure requirements, and reporting and recordkeeping requirements. The Managing Owner also is subject to periodic inspections and audits by the CFTC and NFA.

The principal office of the Managing Owner is located at 3500 Lacey Road, Suite 700, Downers Grove, IL 60515. The telephone number of the Managing Owner is (800) 983-0903.

PowerShares® is a registered service mark of Invesco PowerShares Capital Management LLC.

The Fund pays the Managing Owner a Management Fee, monthly in arrears, in an amount equal to 0.85% per annum of the daily NAV of the Fund.

The Management Fee is paid in consideration of the Managing Owner's services related to the management of the Fund's business and affairs, including the provision of commodity futures trading advisory services.

The Fund may, for margin and/or cash management purposes, invest in money market mutual funds and/or T-Bill ETFs that are managed by affiliates of the Managing Owner. The indirect portion of the management fees that the Fund may incur through such investments is in addition to the Management Fee paid to the Managing Owner. The Managing Owner has contractually agreed to waive the fees that it receives from the Fund in an amount equal to the indirect management fees that the Fund incurs through its investments in affiliated money market mutual funds and/or affiliated T-Bill ETFs indefinitely.

Under the Trust Agreement, Wilmington Trust Company is the trustee of the Fund. The Trustee's duties and liabilities with respect to the offering of the Shares and the management of the Fund are limited to its express obligations under the Trust Agreement. The Trustee has no duty or liability to supervise or monitor the performance of the Managing Owner, nor does the Trustee have any liability for the acts or omissions of the Managing Owner.

The Commodity Broker

A variety of executing brokers execute futures transactions on behalf of the Fund. Such executing brokers give-up all such transactions to Morgan Stanley & Co. LLC, a Delaware limited liability company, which serves as the Fund's clearing broker (the Commodity Broker). In its capacity as clearing broker, the Commodity Broker may execute or receive transactions executed by others and clears all of the Fund's futures transactions and performs certain administrative services for the Fund. The Commodity Broker is registered with the CFTC as a futures commission merchant and is a member of the NFA in such capacity.

The Fund pays the Commodity Broker all brokerage commissions, including applicable exchange fees, NFA fees, give-up fees, pit brokerage fees and other transaction related fees and expenses charged in connection with trading activities. On average, total charges paid to the Commodity Broker are expected to be less than \$7.00 per round-turn trade, although the Commodity Broker's brokerage commissions and trading fees are determined on a contract-by-contract basis. The Managing Owner estimates the brokerage commissions and fees will be approximately 0.04% of the NAV of the Fund in any year, although the actual amount of brokerage commissions and fees in any year or any part of any year may be greater.

The Administrator, Custodian and Transfer Agent

The Bank of New York Mellon is the administrator (the Administrator) and serves as the custodian (the Custodian) and the transfer agent (the Transfer Agent) of the Fund. The Bank of New York Mellon has entered into an Administration Agreement, a Global Custody Agreement (the Custody Agreement), and a Transfer Agency and Service Agreement, in connection therewith.

Pursuant to the Administration Agreement, the Administrator performs or supervises the performance of services necessary for the operation and administration of the Fund (other than making investment decisions), including receiving and processing orders from Authorized Participants to create and redeem Baskets, NAV calculations, accounting and other fund administrative services.

Key terms of the Administration Agreement are summarized under the heading Material Contracts.

The Administrator's monthly fees are paid on behalf of the Fund by the Managing Owner out of the Management Fee.

The Transfer Agent receives a transaction processing fee in connection with orders from Authorized Participants to create or redeem Baskets in the amount of \$500 per order. These transaction processing fees are paid directly by the Authorized Participants and not by the Fund.

Invesco Distributors, Inc.

Invesco Distributors, Inc. (Invesco Distributors) assists the Managing Owner with certain functions and

duties relating to distribution and marketing, including reviewing and approving marketing materials. Invesco Distributors retains all marketing materials at c/o Invesco Distributors, Inc., 11 Greenway Plaza, Suite 1000, Houston, Texas 77046-1173. Investors may contact Invesco Distributors toll-free in the U.S. at (800) 983-0903. The Fund has entered into a Distribution Services Agreement with Invesco Distributors. Invesco Distributors is affiliated with the Managing Owner.

The Managing Owner, out of the Management Fee, pays Invesco Distributors for performing its duties on behalf of the Fund and may pay Invesco Distributors additional compensation in consideration of the performance by Invesco Distributors of additional services. Such additional services may include, among other services, the development and implementation of a marketing plan and the utilization of Invesco Distributors' resources, which include an extensive broker database and a network of internal and external wholesalers. The Managing Owner reimburses Invesco Distributors for actual costs associated with the performance of such services, capped at \$25,000 annually.

Index Sponsor

The Managing Owner, on behalf of the Fund, has appointed Deutsche Bank Securities Inc. to serve as the Index Sponsor. The Index Sponsor calculates and publishes the daily index levels and the indicative intraday index levels. The Index Sponsor also calculates the IIV per Share throughout each Business Day.

The Managing Owner pays the Index Sponsor a licensing fee and an index services fee out of the Management Fee for performing its duties.

Marketing Agent

The Managing Owner, on behalf of the Fund, has appointed Deutsche Bank Securities Inc. (the Marketing Agent) to assist the Managing Owner by providing support to educate institutional investors about the Deutsche Bank indices and to complete governmental or institutional due diligence questionnaires or requests for proposals related to the Deutsche Bank indices.

The Managing Owner pays the Marketing Agent a marketing services fee out of the Management Fee.

The Marketing Agent will not open or maintain customer accounts or handle orders for the Fund. The Marketing Agent has no responsibility for the performance of the Fund or the decisions made or actions taken by the Managing Owner.

800 Number for Investors

Investors may contact the Managing Owner toll free in the U.S. at (800) 983-0903.

Limitation of Liabilities

You cannot lose more than your investment, plus any appreciation in your investment, in the Shares. Shareholders are entitled to limitation on liability equivalent to the limitation on liability enjoyed by stockholders of a Delaware business corporation for profit. An investor may be required to return some or all of its capital in the event of a bankruptcy of the Fund.

You will not be subject to the losses or liabilities of any other fund of the Trust in which you have not invested. We have received an opinion of counsel that the Fund is entitled to the benefits of the limitation on inter-series liability provided under the Delaware Statutory Trust Act. Each Share, when purchased in accordance with the Trust Agreement, shall, except as otherwise provided by law, be fully-paid and non-assessable.

The debts, liabilities, obligations, claims and expenses of the Fund will be enforceable against the assets of the Fund only, and not against the assets of the Trust generally or the assets of any other fund of the Trust, and, unless otherwise provided in the Trust Agreement, none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the Trust generally or any other series thereof will be enforceable against the assets of the Fund, as the case may be.

Creation and Redemption of Shares

The Fund creates and redeems Shares from time to time, but only in one or more Baskets. A Basket is a block of 200,000 Shares. Baskets may be created or redeemed only by Authorized Participants. Baskets are created and redeemed continuously on the creation order settlement date or redemption order settlement date, as applicable, as of 2:45 p.m., Eastern time, on the business day immediately following the date on which a valid order to create or redeem a Basket is accepted by the Fund. The creation or redemption will be at the NAV of

200,000 Shares as of the closing time of the NYSE Arca or the last to close of the exchanges on which the Index Commodities are traded, whichever is later, on the date that a valid order to create or redeem a Basket is accepted by the Fund. Upon submission of a creation order or redemption order, the Authorized Participant may request the Managing Owner to agree to a creation order settlement or redemption order settlement date up to two business days after the creation order date or redemption order date.

For purposes of processing both purchase and redemption orders, a business day means any day other than a day when banks in New York City are required or permitted to be closed. Except when aggregated in Baskets, the Shares are not redeemable securities. Authorized Participants pay a transaction fee of \$500 in connection with each order to create or redeem a Basket. Authorized Participants may sell the Shares included in the Baskets they purchase from the Fund to other investors.

See [Creation and Redemption of Shares](#) for more details.

Authorized Participants

Baskets may be created or redeemed only by Authorized Participants. Each Authorized Participant must (1) be a registered broker-dealer or other securities market participant such as a bank or other financial institution which is not required to register as a broker-dealer to engage in securities transactions, (2) be a participant in the Depository Trust Company (DTC), and (3) have entered into an agreement with the Fund and the Managing Owner (a Participant Agreement). The Participant Agreement sets forth the procedures for the creation and redemption of Baskets and for the delivery of cash required for such creations or redemptions. A list of the current Authorized Participants can be obtained from the Administrator. See [Creation and Redemption of Shares](#) for more details.

NAV

NAV means the total assets of the Fund including, but not limited to, all cash and cash equivalents or other debt securities less total liabilities of the Fund, each

determined on the basis of generally accepted accounting principles in the United States, consistently applied under the accrual method of accounting.

NAV per Share is the NAV of the Fund divided by the number of outstanding Shares.

See [Description of the Shares; The Fund; Certain Material Terms of the Trust Agreement-NAV](#) for more details.

Clearance and Settlement

The Shares are evidenced by global certificates that the Fund issues to DTC. The Shares are available only in book-entry form. Shareholders may hold their Shares through DTC, if they are participants in DTC, or indirectly through entities that are participants in DTC.

Segregated Accounts/Treasury Income, Money Market Income and T-Bill ETF Income

The Fund has arranged for the proceeds of the continuous offering of the Shares to be deposited in cash in a segregated account in the name of the Fund at the Custodian (or another eligible financial institution, as applicable) in accordance with CFTC investor protection and segregation requirements. The Fund is credited with 100% of the interest earned on its average net assets on deposit with the Custodian or such other financial institution each week. The Managing Owner expects to invest non-margin assets in United States government securities (which include any security issued or guaranteed as to principal or interest by the United States), or any certificate of deposit for any of

the foregoing, including United States Treasury bonds and United States Treasury securities, and certain cash and cash equivalent items such as money market mutual funds (affiliated or otherwise), T-Bill ETFs (affiliated or otherwise), certificates of deposit (under nine months) and time deposits or other instruments permitted by applicable rules and regulations for margin and/or cash management purposes.

See Fees and Expenses for more details.

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Fees and Expenses

Management Fee	<p>The Fund pays the Managing Owner a Management Fee, monthly in arrears, in an amount equal to 0.85% per annum of the daily NAV of the Fund. The Management Fee is paid in consideration of the Managing Owner's services related to the management of the Fund's business and affairs, including the provision of commodity futures trading advisory services.</p> <p>The Fund may, for margin and/or cash management purposes, invest in money market mutual funds and/or T-Bill ETFs that are managed by affiliates of the Managing Owner. The indirect portion of the management fees that the Fund may incur through such investments is in addition to the Management Fee paid to the Managing Owner. The Managing Owner has contractually agreed to waive the fees that it receives in an amount equal to the indirect management fees that the Fund incurs through its investments in affiliated money market mutual funds and/or affiliated T-Bill ETFs indefinitely.</p>
Offering Expenses	<p>Expenses incurred in connection with the continuous offering of Shares are paid by the Managing Owner.</p>
Brokerage Commissions and Fees	<p>The Fund pays to the Commodity Broker all brokerage commissions, including applicable exchange fees, NFA fees, give-up fees, pit brokerage fees and other transaction related fees and expenses charged in connection with its trading activities. On average, total charges paid to the Commodity Broker are expected to be less than \$7.00 per round-turn trade, although the Commodity Broker's brokerage commissions and trading fees are determined on a contract-by-contract basis. The Managing Owner estimates the brokerage commissions and fees will be approximately 0.04% of the NAV of the Fund in any year, although the actual amount of brokerage commissions and fees in any year or any part of any year may be greater.</p>
Routine Operational, Administrative and Other Ordinary Expenses	<p>The Managing Owner pays all of the routine operational, administrative and other ordinary expenses of the Fund, including, but not limited to, computer services, the fees and expenses of the Trustee, license and service fees paid to Deutsche Bank Securities Inc. (DBSI) as Marketing Agent and Index Sponsor, legal and accounting fees and expenses, tax preparation expenses, filing fees, and printing, mailing and duplication costs.</p>
Non-Recurring Fees and Expenses	<p>The Fund pays all of the non-recurring and unusual fees and expenses (referred to as extraordinary fees and expenses in the Trust Agreement), if any, as determined by the Managing Owner. Non-recurring and unusual fees and expenses are fees and expenses which are non-recurring and unusual in nature, such as legal claims and liabilities, litigation costs or indemnification or other unanticipated expenses. Non-recurring and unusual fees and expenses will also include material expenses which are not currently anticipated obligations of the Fund or of managed futures funds in general. Routine operational, administrative and other ordinary expenses will not be deemed non-recurring expenses.</p>
Management Fee and Expenses to be Paid First out of Treasury Income, Money Market Income and/or	<p>The Management Fee and the brokerage commissions and fees of the Fund are paid first out of Treasury Income from the Fund's holdings of United States Treasury Securities, Money Market Income from the Fund's holdings of money market mutual funds (affiliated or otherwise) and T-Bill ETF Income from the Fund's holdings of T-Bill ETFs (affiliated or otherwise), as applicable, on deposit with the Commodity Broker as margin, the Custodian, or otherwise. If the sum of the Treasury Income, the Money Market Income</p>

T-Bill ETF Income	and the T-Bill ETF Income is not sufficient to cover the fees and expenses of the Fund during any period, the excess of such fees and expenses over such Treasury Income, Money Market Income and T-Bill ETF Income, as applicable, will be paid out of income from futures trading, if any, or from sales of the Fund's holdings in United States Treasury Securities, money market mutual funds, and/or holdings in T-Bill ETFs.
Selling Commission	Retail investors may purchase and sell Shares through traditional brokerage accounts. Investors are expected to be charged a commission by their brokers in connection with purchases of Shares that will vary from investor to investor. Investors are encouraged to review the terms of their brokerage accounts for applicable charges.

Distributions

The Fund will make distributions at the discretion of the Managing Owner. To the extent that the Fund's actual and projected Treasury Income, the Fund's actual and projected Money Market Income and the Fund's actual and projected T-Bill ETF Income, as applicable, exceeds the actual and projected fees and expenses of the Fund, the Managing Owner expects periodically to make distributions of the amount of such excess. The Managing Owner currently does not expect to make distributions with respect to the Fund's capital gains. Depending on the Fund's performance for the taxable year and your own tax situation for such year, your income tax liability for the taxable year for your allocable share of the Fund's net ordinary income or loss and capital gain or loss may exceed any distributions you receive with respect to such year.

Fiscal Year

The fiscal year of the Fund ends on December 31 of each year.

U.S. Federal Income Tax Considerations

Subject to the discussion below in **Material U.S. Federal Income Tax Considerations**, the Fund will be classified as a partnership for U.S. federal income tax purposes. Accordingly, the Fund will generally not incur U.S. federal income tax liability; rather, each beneficial owner of Shares will be required to take into account its allocable share of the Fund's income, gain, loss, deduction and other items for the Fund's taxable year ending with or within the owner's taxable year.

Please refer to the **Material U.S. Federal Income Tax Considerations** section below for information on the potential U.S. federal income tax consequences of the purchase, ownership and disposition of Shares.

Breakeven Amounts

As long as the Fund does not lose at least approximately 0.51% per annum, or \$0.13 per annum per Share at \$25.00 as the NAV per Share, from futures trading, an investor will break even on an investment during the first twelve months of an investment.

**THE SHARES ARE SPECULATIVE AND
INVOLVE A HIGH DEGREE OF RISK.**

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RISK FACTORS

You could lose money investing in Shares. You should consider carefully the risks described below before making an investment decision. You should also refer to the other information included in this Prospectus.

MARKET RISKS

NAV May Not Always Correspond to Market Price and, as a Result, Baskets May be Created or Redeemed at a Value that Differs from the Market Price of the Shares.

Shares may trade at, above or below their NAV. The NAV fluctuates with changes in the market value of the Fund's assets. The trading price of Shares fluctuates in accordance with changes in the NAV, intraday changes in the value of the futures contracts and market supply and demand. The amount of the discount or premium in the trading price of the Shares relative to their NAV may be influenced by non-concurrent trading hours between NYSE Arca (the exchange on which the Shares trade) and the exchanges on which futures contracts on the Index Commodities trade. While the Shares are expected to trade on NYSE Arca until 4:00 p.m. (Eastern time), liquidity in the markets for the futures contracts on the Index Commodities are expected to be reduced whenever the principal markets for those contracts are closed. As a result, trading spreads, and the resulting premium or discount on Shares, may widen during these gaps in market trading hours.

The NYSE Arca May Halt Trading in the Shares Which Would Adversely Impact Your Ability to Sell Shares.

The Shares are listed for trading on the NYSE Arca under the market symbol DBA. Trading in Shares may be halted due to market conditions or, in light of NYSE Arca rules and procedures, for reasons that, in the view of the NYSE Arca, make trading in Shares inadvisable. In addition, trading is subject to trading halts caused by extraordinary market volatility pursuant to circuit breaker rules that require trading to be halted for a specified period based on a specified market decline. There can be no assurance that the requirements necessary to maintain the listing of the Shares will continue to be met or will remain unchanged. The Fund will be terminated if the Shares are delisted.

The Lack of An Active Trading Market for the Shares May Result in Losses on Your Investment at the Time of Disposition of Your Shares.

Although the Shares are listed and traded on the NYSE Arca, there can be no guarantee that an active trading market for the Shares will be maintained. If you need to sell your Shares at a time when no active market for them exists, the price you receive for your Shares, assuming that you are able to sell them, likely will be lower than the price you would receive if an active market did exist.

Price Volatility May Cause the Total Loss of Your Investment.

Futures contracts have a high degree of price variability and are subject to occasional rapid and substantial changes. Consequently, you could lose all or substantially all of your investment in the Fund. The Index's average annual volatility since inception is 10.08%. Average annual volatility is the average of the Index's volatility each year since its inception. The yearly volatility is the relative rate at which the price of the Index moves up and down, found by calculating the annualized standard deviation of the daily change in price for each business day in the given year.

Withdrawal from Participation by Authorized Participants May Affect the Liquidity of Shares.

If one or more Authorized Participants withdraws from participation, it may become more difficult to create or redeem Baskets, which may reduce the liquidity of the Shares. If it becomes more difficult to create or redeem Baskets, the correlation between the price of the Shares and the NAV may be affected, which may affect the trading market for the

Shares. Having fewer participants in the market for the Shares could also adversely affect the ability to arbitrage any price difference between the futures contracts and the Shares, which may affect the trading market and liquidity of the Shares.

Possible Illiquid Markets May Exacerbate Losses.

Futures positions cannot always be liquidated at the desired price. It is difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in a market. A market disruption, such as when foreign governments may take or be subject to political actions which disrupt

the markets in their currencies or major commodities exports, can also make it difficult to liquidate a position.

There can be no assurance that market illiquidity will not cause losses for the Fund. The large size of the positions which the Fund may acquire increases the risk of illiquidity by both making its positions more difficult to liquidate and increasing the losses incurred while trying to do so.

Trading on Futures Exchanges Outside the United States is Not Subject to U.S. Regulation.

Some of the Fund's trading is expected to be conducted on futures exchanges outside the United States. Trading on such exchanges is not regulated by any United States governmental agency and may involve certain risks not applicable to trading on United States exchanges, including different or diminished investor protections. In trading contracts denominated in currencies other than U.S. dollars, Shares are subject to the risk of adverse exchange-rate movements between the dollar and the functional currencies of such contracts.

In addition, trading on non-U.S. exchanges is subject to the risks presented by exchange controls, expropriation, increased tax burdens and exposure to local economic declines and political instability, among other factors. An adverse development with respect to any of these factors could reduce the profit or increase the loss earned on the Fund's trades on non-U.S. exchanges.

The Effect of Market Disruptions and Government Interventions Are Unpredictable and May Have an Adverse Effect on the Value of Your Shares.

The commodity futures markets may be subject to temporary distortions due to various factors, including lack of liquidity, congestion, disorderly closing periods, manipulation and disruptive conduct, limitations on deliverable supplies, the participation of speculators, government regulation and intervention, technical and operational or system failures, nuclear accidents, terrorism, riots and acts of God.

Government intervention has in certain cases been implemented on an emergency basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding

positions. These interventions have typically been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies.

The financial crisis of 2008-2009 and associated regulatory changes, including the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act), are generally considered to have contributed to less credit being available to financial market participants. This is particularly the case for credit extended by banks and other traditional lending sources. The Fund does not borrow from lenders for the purpose of pursuing its investment objective. Nonetheless, restrictions on the availability of credit may adversely affect investors who borrow to purchase Fund shares and participants in the markets for financial instruments in which the Fund trades, including futures markets. Restrictions on credit, whether in stressed market conditions or otherwise, may have a material adverse effect on investors and financial market participants, which in turn could affect the Fund's ability to pursue its investment objective. Among other things, fewer prospective investors may adversely affect the Fund's asset levels, and fewer financial market participants may reduce liquidity and adversely affect pricing for the financial instruments that the Fund seeks to trade.

In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in futures contract prices that may occur during a single business day. These limits are generally referred to as daily price fluctuation limits, and the maximum or minimum price of a contract on any given day as a result of these limits

is referred to as a limit price. Once the limit price has been reached in a particular contract, it is possible that no trades may be made at a different price. It is not certain how long any such price limits would remain in effect. Limit prices may have the effect of precluding trading in a particular contract or forcing the liquidation of contracts at disadvantageous times or prices, consequently affecting the value of the futures contracts.

The Fund may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out or

liquidate positions against which the markets are moving. The large size of the positions which the Fund may acquire increases the risk of illiquidity by both making its positions more difficult to liquidate and increasing the losses incurred while trying to do so.

The financing available to market participants from their banks, dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to the affected market participants, including the Fund. Market disruptions may from time to time cause dramatic losses, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

An Investment in the Shares May Be Adversely Affected by Competition From Other Methods of Investing in Commodities.

The Fund competes with other financial vehicles, including mutual funds, and other investment companies, ETFs, other index tracking commodity pools, actively traded commodity pools, hedge funds, traditional debt and equity securities issued by companies in the commodities industry, other securities backed by or linked to commodities, and direct investments in the underlying commodities or commodity futures contracts. Market and financial conditions, and other conditions beyond the Managing Owner's control, may make it more attractive to invest in other financial vehicles or to invest in such commodities directly, which could limit the market for the Shares and therefore reduce the liquidity of the Shares.

The NAV Calculation of the Fund May Be Overstated or Understated Due to the Valuation Method Employed When a Settlement Price is not Available on the Date of NAV Calculation.

Calculating the NAV of the Fund includes, in part, any unrealized profits or losses on open commodity futures contracts. Under normal circumstances, the NAV of the Fund reflects the settlement price of open commodity futures contracts on the date when the NAV is being calculated. However, if a commodity futures contract traded on an exchange (both U.S. and, to the extent it becomes applicable, non-U.S. exchanges) could not be liquidated on such day (due to the operation of daily limits or other rules of the exchange upon which that position is traded or otherwise), the Managing Owner

may value such futures contract pursuant to policies the Managing Owner has adopted. In such a situation, there is a risk that the calculation of the NAV of the Fund on such day will not accurately reflect the realizable market value of such commodity futures contract. For example, daily limits are generally triggered in the event of a significant change in market price of a commodity futures contract. Therefore, as a result of the daily limit, the current settlement price is unavailable. Because the Managing Owner may value such futures contract pursuant to policies the Managing Owner has adopted, there is a risk that the resulting calculation of the NAV of the Fund could be under or overstated, perhaps to a significant degree.

FUTURES RISKS

Fluctuations in the Price of Assets Held by the Fund Could Have a Materially Adverse Effect on the Value of an Investment in Shares.

The Shares are designed to reflect as closely as possible the changes, positive or negative, in the level of the Index, over time, through the Fund's portfolio of exchange-traded futures contracts on the Index Commodities. The value of the Shares relates directly to the value of the portfolio, less the liabilities (including estimated accrued but unpaid expenses) of the Fund. The price of the Index Commodities may fluctuate widely. Several factors may affect the prices of the Index Commodities, including, but not limited to:

Global supply and demand of each of the Index Commodities, which may be influenced by such factors as forward selling by the various commodities producers, purchases made by the commodities producers to unwind their hedge positions and production and cost levels in the major markets of each of the Index Commodities;

Domestic and foreign interest rates and investors' expectations concerning interest rates;

Domestic and foreign inflation rates and investors' expectations concerning inflation rates;

Investment and trading activities of mutual funds, ETFs, closed-end funds, hedge funds and commodity funds;

Weather and other environmental conditions;

Acts of God; and

Global or regional political, economic or financial events and situations.

Fewer Representative Commodities May Result in Greater Index Volatility.

The Index Commodities are Corn, Soybeans, Wheat, Kansas City Wheat, Sugar, Cocoa, Coffee, Cotton, Live Cattle, Feeder Cattle, and Lean Hogs. Accordingly, the Index is concentrated in terms of the number of commodities represented. You should be aware that other commodities indexes are more diversified in terms of both the number and variety of commodities included. Concentration in fewer commodities may result in a greater degree of volatility in the Index and the NAV of the Fund which tracks the Index under specific market conditions and over time.

Because the Futures Contracts Have No Intrinsic Value, the Positive Performance of Your Investment Is Wholly Dependent Upon an Equal and Offsetting Loss.

Trading in futures contracts transfers the risk of future price movements from one market participant to another. For every gain in futures trading, there is an equal and offsetting loss rather than an opportunity to participate over time in general economic growth. Futures contracts reflect, in the case of cash-settled contracts, certain rights to receive payment or obligations to make payments to the other party to the contract. In the case of physically-settled contracts, a futures contract is an agreement to make or take delivery of a particular asset at a specified price. Overall stock and bond prices could rise significantly and the economy as a whole could prosper while the Fund experiences losses as a result of pursuing its investment objective through trading futures contracts in Index Commodities.

Failure of Commodity Futures Markets to Exhibit Low to Negative Correlation to General Financial Markets Will Reduce Benefits of Diversification and May Exacerbate Losses to Your Portfolio.

Historically, commodity futures returns have tended to exhibit low to negative correlation with the

returns of other assets such as stocks and bonds. Commodity futures contracts can provide a diversification benefit to investor portfolios because of their low to negative correlation with other financial assets. However, the fact that the Index is not inversely correlated with financial assets such as stocks and bonds means that the Fund will not necessarily be profitable during unfavorable periods for the stock or bond market. If the Shares perform in a manner that correlates with the stock or bond markets or otherwise do not perform successfully, the Shares may not provide any diversification from losses in those markets. In such a scenario, the Shares may produce no gains to offset your losses from investments in stocks, bonds, or related assets.

Backwardation or Contango in the Market Prices of the Index Commodities Will Affect the Value of Your Shares.

As the futures contracts that underlie the Index near expiration, they are replaced by contracts that have a later expiration. Thus, for example, a contract purchased and held in August of the current year may specify an October of that year expiration. As that contract nears expiration, it may be replaced by selling the October of the current year contract and purchasing the contract expiring in December of that year. This process is referred to as rolling. Historically, the prices of certain Index Commodities may have been higher for contracts with shorter-term expirations than for contracts with longer-term expirations, which is referred to as backwardation. In these circumstances, absent other factors, the sale of the October contract would take place at a price that is higher than the price at which the December contract is purchased, thereby creating a gain in connection with rolling. While the prices

of certain Index Commodities may have historically exhibited consistent periods of backwardation, backwardation will likely not exist in these markets at all times. The absence of backwardation in such Index Commodities will adversely affect the value of the Index and, accordingly, decrease the value of your Shares.

Conversely, certain of the Index Commodities historically exhibit contango markets rather than backwardation. Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months due to the costs of long-term storage of a physical commodity prior to delivery or other factors. Although certain of the Index Commodities may have historically exhibited consistent periods of

contango, contango will likely not exist in these markets at all times. Contango in the Index Commodities will adversely affect the value of the Index and, accordingly, decrease the value of your Shares.

The Fund's returns from futures trading are called excess return, which is the combined return based on the spot prices of Index Commodities and the roll yield from trading futures contracts on Index Commodities. Rolling in a backwardated market will tend to enhance returns from futures trading. Rolling in a contangoed market will tend to cause a drag on returns from futures trading. The selection of a new futures contract on an OY Single Commodity Index is designed to minimize the impact of negative roll yield and to maximize the impact of positive roll yield in prevailing market conditions.

Although the roll method of the Index in part may minimize the roll losses due to contango and may maximize the roll benefits due to backwardation, there can be no assurance that this outcome will occur.

INDEX RISKS

The Fund's Performance May Not Always Replicate the Changes in the Levels of its Index.

It is possible that the Fund's performance may not fully replicate the changes in levels of the Index due to disruptions in the markets for the relevant Index Commodities, the imposition of position limits, or due to other extraordinary circumstances. The Managing Owner may determine to invest in other futures contracts if at any time it is impractical or inefficient to gain full or partial exposure to an Index Commodity through the use of Index Contracts. These other futures contracts may or may not be based on an Index Commodity. When they are not, the Managing Owner may seek to select futures contracts that it reasonably believes tend to exhibit trading prices that correlate with an Index Contract. As the Fund approaches or reaches position limits with respect to an Index Commodity, the Fund may commence investing in Index Contracts that reference other Index Commodities. In those circumstances, the Fund may also trade in futures contracts based on commodities other than Index Commodities that the Managing Owner reasonably believes tend to exhibit trading prices that correlate with an Index Contract. In addition, the Fund may not be able to replicate the changes in levels of the

Index because the total return generated by the Fund is reduced by expenses and transaction costs, including those incurred in connection with the Fund's trading activities, and increased by, as applicable, Treasury Income, Money Market Income and T-Bill ETF Income held for margin and/or cash management purposes. Tracking the Index requires trading of the Fund's portfolio with a view to tracking the Index over time and is dependent upon the skills of the Managing Owner and its trading principals, among other factors.

The Fund Is Not Actively Managed and Tracks the Index During Periods in Which the Index Is Flat or Declining as Well as When the Index Is Rising.

The Fund is not actively managed by traditional methods. Therefore, if positions in any one or more of the Index Commodities are declining in value, the Fund will not close out such positions, except in connection with a change in the composition or weighting of the Index. The Managing Owner seeks to cause the NAV to track the Index during periods in which the Index is flat or declining as well as when the Index is rising.

Unusually Long Peak-to-Valley Drawdown Periods With Respect To the Index May Be Reflected in Equally Long Peak-to-Valley Drawdown Periods with Respect to the Performance of the Shares.

Peak-to-valley drawdown represents the cumulative percentage decline in month-end NAV per Share due to losses sustained during any period in which the initial month-end NAV per Share is not equaled or exceeded by a subsequent month-end NAV per Share.

Although past Index levels are not necessarily indicative of future Index levels, the peak-to-valley drawdown periods that the Index has experienced have been unusually long and have lasted for multi-year drawdown periods. Please see the chart on page 31 for information regarding worst peak-to-valley drawdown periods with respect to the Index.

Because it is expected that the Fund's performance will track the change of its underlying Index, the Fund would experience a continuous drawdown during the period that the Index experiences such a drawdown period. The value of your Shares will also decrease during such a period.

REGULATORY RISKS

Regulatory and Exchange Position Limits and Other Rules May Restrict the Creation of Baskets and the Operation of the Fund.

CFTC and futures exchange rules impose position limits on market participants, including the Fund, trading in certain commodity futures contracts. These position limits prohibit any person from holding a position of more than a specific number of futures contracts.

The Index is composed of 11 Index Commodities, which are all subject to position limits imposed by either the CFTC and/or the rules of the futures exchanges on which the futures contracts for the applicable Index Commodities are traded. Currently, position limits (i) for corn, oats, wheat, soybean, soybean oil and cotton are determined by the CFTC and (ii) for all other commodities are determined by the futures exchanges. On November 5, 2013, the CFTC proposed for public comment new position limits and aggregation regulations. In December 2016, the CFTC re-proposed the rules on position limits with respect to 25 physical delivery commodity futures and options contracts, as well as to swaps that are economically equivalent to such contracts, referred to herein as the Position Limit Rules. The re-proposed position limits would apply with respect to contracts traded on all U.S. and certain foreign exchanges on an aggregate basis. In addition, under the Position Limit Rules, the CFTC has also proposed amendments to the requirement that U.S. futures exchanges establish corresponding position limits. The re-proposed Position Limit Rules are based on the position limit rules previously proposed in 2013 by the CFTC. In December 2016, the CFTC also adopted final position aggregation regulations requiring that all accounts owned or managed by an entity that is responsible for such accounts' trading decisions, their principals and their affiliates would be aggregated for position limit purposes, referred to herein as the Aggregation Rules. The Position Limit Rules were published in the Federal Register on December 30, 2016, and the final Aggregation Rules became effective on February 14, 2017. CFTC staff subsequently issued CFTC Letter No. 17-37, which provides time-limited no-action relief from compliance with certain requirements under the final Aggregation Rules and clarification on the meaning of certain terms used throughout the final Aggregation Rules. The relief therein expires on August 12, 2019.

The CFTC's Aggregation Rules require that a trader aggregate all positions in accounts which the trader owns or over which the trader controls trading. However, a trader is not required to aggregate positions in multiple accounts or commodity pools if that trader (or its applicable divisions/subsidiaries) qualifies as an independent account controller under the Aggregation Rules and avails itself of the independent account controller exemption or another exemption under the Aggregation Rules. Failure to comply with the requirements of the independent account controller or other exemption, if applicable, could lead to the Managing Owner being required to aggregate positions in multiple accounts or commodity pools for purposes of the CFTC's position limits regulations, or an enforcement proceeding against the Managing Owner, and could adversely affect the Fund.

Generally, position limits in the physical delivery markets are set at a stricter level during the spot month, the month when the futures contract matures and becomes deliverable, versus the limits set for all other months. If the Managing Owner determines that the Fund's trading may be approaching any of these position limits, the Fund may reduce its trading in the corresponding commodity futures contracts or may trade futures contracts in other commodities that the Managing Owner determines will best position the Fund to meet its investment objective. Depending on the outcome of any future CFTC or futures exchange rulemaking, as applicable, the rules concerning position limits may be amended in a manner that is detrimental to the Fund.

Exchanges may also establish accountability levels applicable to futures contracts. An exchange may order a person who holds or controls a position in excess of a position accountability level not to further increase its position, to comply with any prospective limit that exceeds the size of the position owned or controlled, or to reduce any open position that exceeds the position accountability level if the exchange determines that such action is necessary to maintain an orderly market. Position accountability levels could adversely affect the Fund's ability to establish and

maintain positions in commodity futures contracts to which such levels apply, if the Fund were to trade in such contracts.

The Fund is currently subject to position limits and may be subject to new and more restrictive position limits in the future. As a result, the Fund may not be able to issue new Baskets or reinvest

income in additional commodity futures contracts to the extent position limits restrict its ability to establish new futures positions or add to existing positions. Limiting the size of the Fund to stay within these position limits may affect the correlation between the price of the Shares, as traded on the NYSE Arca, and the NAV of the Shares.

Failure of Futures Commission Merchants or Commodity Brokers to Segregate Assets May Increase Losses; Despite Segregation of Assets, the Fund Remains at Risk of Significant Losses Because the Fund May Only Receive a Pro-Rata Share of the Assets or No Assets at All.

The Commodity Exchange Act requires a futures commission merchant to segregate all funds received from customers from such futures commission merchant's proprietary assets. If the Commodity Broker fails to segregate customer assets as required, the assets of the Fund might not be fully protected in the event of the Commodity Broker's bankruptcy. Furthermore, in the event of the Commodity Broker's bankruptcy, the Fund could be limited to recovering either a *pro rata* share of all available funds segregated on behalf of the Commodity Broker's combined customer accounts or the Fund may not recover any assets at all, even though certain property specifically traceable to the Fund was held by the Commodity Broker. The Commodity Broker may, from time to time, have been the subject of certain regulatory and private causes of action. Such material actions, if any, are described under The Commodity Broker.

The Commodity Exchange Act requires a clearing organization approved by the CFTC as a derivatives clearing organization to segregate all funds and other property received from a clearing member's customers in connection with U.S. futures and options contracts from any funds held at the clearing organization to support the clearing member's proprietary trading. Nevertheless, customer funds held at a clearing organization in connection with any futures or options contracts may be held in a commingled omnibus account, which may not identify the name of the clearing member's individual customers. With respect to futures and options contracts, a clearing organization may use assets of a non-defaulting customer held in an omnibus account at the clearing organization to satisfy payment obligations of a defaulting customer of the clearing member to the clearing organization. In the event of a default of the clearing futures

commission merchant's other clients or the clearing futures commission merchant's failure to extend its own funds in connection with any such default, a customer may not be able to recover the full amount of assets deposited by the clearing futures commission merchant with the clearing organization on the customer's behalf.

In the event of a bankruptcy or insolvency of any exchange or a clearing house, the Fund could experience a loss of the funds deposited through the Commodity Broker as margin with the exchange or clearing house, a loss of any unrealized profits on its open positions on the exchange, and the loss of unrealized profits on its closed positions on the exchange.

Regulatory Changes or Actions, Including the Implementation of the Dodd-Frank Act, May Alter the Operations and Profitability of the Fund.

The regulation of commodity interest transactions and markets, including under the Dodd-Frank Act, is a rapidly changing area of law and is subject to ongoing modification by governmental and judicial action. In particular, the Dodd-Frank Act has expanded the regulation of markets, market participants and financial instruments. The new regulatory regime under the Dodd-Frank Act has imposed new compliance and legal burdens on participants in the markets for futures and other commodity interests. For example, under the Dodd-Frank Act new capital and risk requirements have been imposed on market intermediaries. Those requirements may cause the cost of trading to increase for market participants, like the Fund, that must interact with those intermediaries to carry out their trading activities. These increased costs can detract from the Fund's performance.

The Fund is Subject to Extensive Regulatory Reporting and Compliance.

The Fund is subject to a comprehensive scheme of regulation under the federal commodity futures trading and securities laws. The Fund could be subject to sanctions for a failure to comply with those requirements, which could adversely affect the Fund's financial performance (in the case of financial penalties) or ability to pursue its investment objective (in the case of a limitation on its ability to trade).

Because the Shares are publicly traded, the Fund is subject to certain rules and regulations of federal,

state and financial market exchange entities charged with the protection of investors and the oversight of companies whose securities are publicly traded. These entities, including the Public Company Accounting Oversight Board (the PCAOB), the SEC, the CFTC and NYSE-ARCA, have in recent years issued new requirements and regulations, most notably the Sarbanes-Oxley Act of 2002. From time to time, since the adoption of the Sarbanes-Oxley Act of 2002, these authorities have continued to develop additional regulations or interpretations of existing regulations. The Fund's ongoing efforts to comply with these regulations and interpretations have resulted in, and are likely to continue resulting in, a diversion of management's time and attention from revenue-generating activities to compliance related activities.

The Fund is responsible for establishing and maintaining adequate internal control over financial reporting. The Fund's internal control system is designed to provide reasonable assurance to its management regarding the preparation and fair presentation of published financial statements. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective may provide only reasonable assurance with respect to financial statement preparation and presentation.

Current Discussions between the SEC and PricewaterhouseCoopers LLP regarding PricewaterhouseCoopers LLP's Independence Could Have Potentially Adverse Consequences for the Fund.

PricewaterhouseCoopers LLP informed the Fund that it has identified an issue related to its independence under Rule 2-01(c)(1)(ii)(A) of Regulation S-X (referred to as the Loan Rule). The Loan Rule prohibits accounting firms, such as PricewaterhouseCoopers LLP, from being deemed independent if they have certain financial relationships with their audit clients or certain affiliates of those clients. The Fund is required under various securities laws to have its financial statements audited by an independent accounting firm.

The Loan Rule specifically provides that an accounting firm would not be independent if it or certain affiliates and covered persons receive a loan from a lender that is a record or beneficial owner of more than ten percent of an audit client's equity securities (referred to as a more than ten percent

owner). For purposes of the Loan Rule, audit clients include the Fund as well as all registered investment companies advised by the Managing Owner and its affiliates, including other subsidiaries of the Managing Owner's parent company, Invesco Ltd. (collectively, the Invesco Fund Complex). PricewaterhouseCoopers LLP informed the Fund that it and certain affiliates and covered persons have relationships with lenders who hold, as record owner, more than ten percent of the shares of certain funds within the Invesco Fund Complex, which may implicate the Loan Rule.

On June 20, 2016, the SEC Staff issued a no-action letter to another mutual fund complex (see Fidelity Management & Research Company et al., No-Action Letter) related to the audit independence issue described above. In that letter, the SEC confirmed that it would not recommend enforcement action against a fund that relied on audit services performed by an audit firm that was not in compliance with the Loan Rule in certain specified circumstances. In connection with prior independence determinations, PricewaterhouseCoopers LLP communicated, as contemplated by the no-action letter, that it believes that it remains objective and impartial and that a reasonable investor possessing all the facts would conclude that PricewaterhouseCoopers LLP is able to exhibit the requisite objectivity and impartiality to report on the Fund's financial statements as the independent registered public accounting firm. PricewaterhouseCoopers LLP also represented that it has complied with PCAOB Rule 3526(b)(1) and (2), which are conditions to the Funds relying on the no action letter, and affirmed that it is an independent accountant within the meaning of PCAOB Rule 3520. Therefore, the Managing Owner, the Fund and PricewaterhouseCoopers LLP concluded that PricewaterhouseCoopers LLP could continue as the Fund's independent registered public accounting firm. The Invesco Fund Complex relied upon the no-action letter in reaching this conclusion.

If in the future the independence of PricewaterhouseCoopers LLP is called into question under the Loan Rule by circumstances that are not addressed in the SEC's no-action letter, the Fund will need to take other action in order for

the Fund's filings with the SEC containing financial statements to be deemed compliant with applicable securities laws. Such additional actions could result in additional costs, impair the ability of the Fund to issue new shares or have other material adverse effects on the Fund. The SEC no-action relief was

initially set to expire eighteen (18) months from issuance but has been extended by the SEC without an expiration date, except that the no-action letter will be withdrawn upon the effectiveness of any amendments to the Loan Rule designed to address the concerns expressed in the letter.

TAX RISKS

Shareholders Will Be Subject to Taxation on Their Allocable Share of the Fund's Taxable Income, Whether or Not They Receive Cash Distributions.

Shareholders will be subject to U.S. federal income taxation and, in some cases, state, local, or foreign income taxation on their allocable share of the Fund's taxable income, whether or not they receive cash distributions from the Fund. Shareholders may not receive cash distributions equal to their share of the Fund's taxable income or even the tax liability that results from such income.

Items of Income, Gain, Loss and Deduction With Respect to Shares Could Be Reallocated if the IRS Does Not Accept the Assumptions or Conventions Used by the Fund in Allocating Such Items.

U.S. federal income tax rules applicable to partnerships are complex and often difficult to apply to publicly traded partnerships. The Fund will apply certain assumptions and conventions in an attempt to comply with applicable rules and to report items of income, gain, loss and deduction to Shareholders in a manner that reflects the Shareholders beneficial interest in such tax items, but these assumptions and conventions may not be in compliance with all aspects of the applicable tax requirements. It is possible that the United States Internal Revenue Service (the "IRS") will successfully assert that the conventions and assumptions used by the Fund do not satisfy the technical requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and/or the Federal Tax Regulations codified under 26 C.F.R., referred to herein as the Treasury Regulations, and could require that items of income, gain, loss and deduction be adjusted or reallocated in a manner that adversely affects one or more Shareholders.

The Tax Cuts and Jobs Act (the "Tax Act") Makes Significant Changes to U.S. Federal Income Tax Rules.

The Tax Act makes significant changes to the U.S. federal income tax rules for taxation of individuals and corporations, generally effective for taxable years beginning after December 31, 2017. Most of the changes applicable to individuals are temporary and would apply only to taxable years beginning after December 31, 2017 and before January 1, 2026. In particular for individuals, the Tax Act establishes for taxable years beginning after December 31, 2017 and before January 1, 2026 a 20% deduction for qualified publicly traded partnership income within the meaning of Section 199A(e)(5) of the Code. Qualified publicly traded partnership income includes the Fund's income effectively connected with the Fund's trade or business, but does not include certain investment income. In light of the very recent enactment of the new rules regarding such deduction, the lack of guidance interpreting such rules, and the expected character of the income of the Fund, it is unclear whether any of the Fund's income will be eligible for the deduction. Potential investors should consult their tax advisors regarding the availability of such deduction for their allocable share of the Fund's items of income, gain, deduction and loss.

PROSPECTIVE INVESTORS ARE STRONGLY URGED TO CONSULT THEIR OWN TAX ADVISORS AND COUNSEL WITH RESPECT TO THE POSSIBLE TAX CONSEQUENCES TO THEM OF AN INVESTMENT IN THE SHARES; SUCH TAX CONSEQUENCES MAY DIFFER WITH RESPECT TO DIFFERENT INVESTORS.

OTHER RISKS

An Insolvency Resulting From Another Series of the Trust or the Trust Itself May Have a Material Adverse Effect on the Fund.

This Fund is a series or a part of a Delaware statutory trust. Pursuant to Delaware law, the organization of the Trust provides that the assets and liabilities of this Fund are separate from the assets and liabilities of all other series of the Trust (e.g., the Sectors Funds), as well as the larger Trust itself. Though such organization may, under state law, protect the assets of the Fund in an insolvency action brought by the creditors of one or more of the Sectors

Funds or series of the Trust, this may be insufficient to protect the assets of the Fund from such creditors in an insolvency action in Federal court, or in a court in a foreign jurisdiction. Accordingly, an insolvency resulting from one or more of the Sectors Funds in the Trust or the Trust itself may have a material adverse effect on the Fund. The material risks associated with the Sectors Funds have not been included in this prospectus.

Disruptions in the Ability to Create and Redeem Baskets May Adversely Affect Investors.

It is generally expected that the public trading price per Share will track the NAV per Share closely over time. The relationship between the public trading price per Share and the NAV per Share depends, to a considerable degree, on the ability of Authorized Participants or their clients or customers to purchase and redeem Baskets in the ordinary course. If the process for creating or redeeming Shares is impaired for any reason, Authorized Participants and their clients or customers may not be able to purchase and redeem Baskets or, even if possible, may choose not to do so. The inability to purchase and redeem Baskets, or the partial impairment of the ability to purchase and redeem Baskets, could result in Shares trading at a premium or discount to the NAV of the Fund. Such a premium or discount could be significant, depending upon the nature or duration of the impairment.

If the Fund were to issue all Shares registered in this offering, it would not be able to create new Baskets until it registered additional Shares and those additional Shares became available for sale. An inability to create new Baskets could increase the possibility that the trading price per Share would not track closely the NAV per Share. In addition, the Fund may, in its discretion, suspend the creation of Baskets. Suspension of creations may adversely affect how the Shares are traded and could cause Shares to trade at a premium or discount to the NAV of the Fund, perhaps to a significant degree.

The Shares Could Decrease in Value if Unanticipated Operational or Trading Problems Arise.

The mechanisms and procedures governing the creation, redemption and offering of the Shares have been developed specifically for the Fund. Consequently, there may be unanticipated problems with respect to the mechanics of the operations of the

Fund and the trading of the Shares that could have a material adverse effect on an investment in the Shares. To the extent that unanticipated operational or trading problems arise, the Managing Owner's past experience and qualifications may not be suitable for solving those problems.

While the Managing Owner manages a number of ETFs that use futures contracts as part of their investment strategy, it has only managed the Fund for a limited period of time. The Managing Owner's limited experience with the Fund and other similar funds may adversely affect its ability to manage the Fund in accordance with its investment objective.

Historical Performance of the Fund and the Index is Not Indicative of Future Performance.

Past performance of the Fund or the Index is not necessarily indicative of future results. Therefore, past performance of the Fund or the Index should not be relied upon in deciding whether to buy Shares of the Fund.

Fees and Expenses May Deplete the Fund's Assets if the Fund's Investment Performance is Not Favorable.

The Fund pays fees and expenses regardless of its investment performance. Such fees and expenses include asset-based fees of 0.85% per annum. Additional charges include brokerage fees of approximately 0.04% per annum in the aggregate and selling commissions. Selling commissions are not included in the Fund's breakeven calculation. The sum of the Fund's Treasury Income, Money Market Income and/or T-Bill ETF Income may not exceed its fees and expenses. If such income does not exceed its fees and expenses, in order to break even, the Fund's futures trading

activity will need to have a favorable performance that exceeds the difference between the sum of the Fund's Treasury Income, Money Market Income and/or T-Bill ETF Income and its fees and expenses. If the Fund's futures trading performance is not sufficiently favorable, the Fund's expenses could deplete its assets over time. In such a scenario, the value of your Shares will decrease.

There may be circumstances that could prevent the Fund from being operated in a manner consistent with its investment objective.

There may be circumstances outside the control of the Managing Owner and/or the Fund that make it,

for all practical purposes, impossible to re-position the Fund and/or to process a purchase or redemption order. Examples of such circumstances include: natural disasters; public service disruptions or utility problems such as those caused by fires, floods, extreme weather conditions, and power outages resulting in telephone, telecopy, and computer failures; market conditions or activities causing trading halts; systems failures involving computer or other information systems affecting the aforementioned parties, as well as DTC, or any other participant in the purchase process, and similar extraordinary events. While the Managing Owner has established and implemented a disaster recovery plan, circumstances such as those identified above may prevent the Fund from being operated in a manner consistent with its investment objective.

You May Be Adversely Affected by Redemption Orders that Are Subject To Postponement, Suspension or Rejection Under Certain Circumstances.

The Managing Owner may, in its discretion, suspend the right of redemption or postpone the redemption order settlement date, for (1) any period during which an emergency exists as a result of which the redemption distribution is not reasonably practicable, or (2) such other period as the Managing Owner determines to be necessary for the protection of the Shareholders. In addition, the Fund will reject a redemption order if the order is not in proper form as described in the participant agreement among the Authorized Participant, the Managing Owner, either in its own capacity or in its capacity as managing owner of the Fund, or if the fulfillment of the order, in the opinion of its counsel, might be unlawful. Any such postponement, suspension or rejection could adversely affect a redeeming Authorized Participant. For example, the resulting delay may adversely affect the value of the Authorized Participant's redemption proceeds if the NAV of the Fund declines during the period of delay. The Fund disclaims any liability for any loss or damage that may result from any such suspension or postponement.

Shareholders Do Not Have the Protections Associated With Ownership of Shares in an Investment Company Registered Under the Investment Company Act of 1940.

The Fund is not registered as an investment company under the Investment Company Act of 1940, as amended. Consequently, Shareholders do

not have the legal and regulatory protections provided to the investors in investment companies that are registered as such.

Shareholders Do Not Have the Rights Enjoyed by Investors in Certain Other Vehicles.

As interests in separate series of a Delaware statutory trust, the Shares have none of the statutory rights normally associated with the ownership of shares of a corporation. However, under Delaware law, a beneficial owner of a business trust (such as a Shareholder) may, under certain circumstances, institute legal action on behalf of himself and all other similarly situated beneficial owners to recover damages from a third party where a managing owner has failed or refused to institute legal action on behalf of himself and all other similarly situated beneficial owners to recover damages from a managing owner for violations of fiduciary duties, or on behalf of a business trust to recover damages from a third party where a managing owner has failed or refused to institute proceedings to recover such damages. The Shares have limited voting and distribution rights (for example, Shareholders do not have the right to elect directors and the Fund is not required to pay regular distributions, although the Fund may pay distributions in the discretion of the Managing Owner).

Various Actual and Potential Conflicts of Interest May Be Detrimental to Shareholders.

The Fund is subject to actual and potential conflicts of interest involving the Managing Owner or any of its affiliates, the Commodity Broker, including its principals and its affiliates, the Index Sponsor and Marketing Agent, and Invesco Distributors. The Managing Owner and its principals, all of whom are engaged in other investment activities, are not

required to devote substantially all of their time to the business of the Fund, which also presents the potential for numerous conflicts of interest with the Fund. The Managing Owner and its principals and affiliates are engaged in a broad array of asset management and financial services activities and may engage in activities during the ordinary course of business that cause their interests or those of their other clients to conflict with those of the Fund and its Shareholders.

As a result of these and other relationships, parties involved with the Fund have a financial incentive to act in a manner other than in the best

interests of the Fund and the Shareholders. For example, by investing in affiliated money market mutual funds and/or T-Bill ETFs for margin and/or cash management purposes, the Managing Owner may select affiliated money market mutual funds and/or T-Bill ETFs that may pay dividends that are lower than non-affiliated money market mutual funds and/or T-Bill ETFs. In addition, the Managing Owner would have a conflict of interest if it sought to redeem the Fund's interest in an affiliated money market mutual fund or T-Bill ETF in circumstances where such a redemption would be unfavorable for the affiliated fund. The Managing Owner has not established any formal procedure to resolve conflicts of interest. Consequently, investors are dependent on the good faith of the respective parties subject to such conflicts to resolve them equitably. Although the Managing Owner attempts to monitor these conflicts, it is extremely difficult, if not impossible, for the Managing Owner to ensure that these conflicts do not, in fact, result in adverse consequences to the Fund and the Shareholders.

The Fund may be subject to certain conflicts with respect to the Commodity Broker, including, but not limited to, conflicts that result from receiving greater amounts of compensation from other clients, or purchasing opposite or competing positions on behalf of third party accounts traded through the Commodity Broker.

Because the Managing Owner and Invesco Distributors are affiliates, the Managing Owner has a disincentive to replace Invesco Distributors. Furthermore, the Managing Owner did not conduct an arm's length negotiation when it retained Invesco Distributors.

Lack of Independent Advisers Representing Investors.

The Managing Owner has consulted with counsel, accountants and other advisers regarding the operation of the Fund. No counsel has been appointed to represent you in connection with the Fund's continuous offering of Shares. Accordingly, you should consult your own legal, tax and financial advisers about whether you should invest in the Shares.

Possibility of Termination of the Fund May Adversely Affect Your Portfolio.

It is ultimately within the discretion of the Managing Owner whether it will continue to operate

and advise the Fund. The Managing Owner may withdraw from the Fund upon 120 days' prior written notice to all Limited Owners and the Trustee, which would cause the Fund to terminate unless a substitute managing owner was obtained. Limited Owners of 50% of the Shares have the power to terminate the Fund. If it is so exercised, investors who may wish to continue to invest in a vehicle that tracks the Fund's Index will have to find another vehicle, and may not be able to find another vehicle that offers the same features as the Fund. See Description of the Shares; The Fund; Certain Material Terms of the Trust Agreement Termination Events for a summary of termination events. Such detrimental developments could cause you to liquidate your investments and upset the overall maturity and timing of your investment portfolio. If the registrations with the CFTC or memberships in the NFA of the Managing Owner or the Commodity Broker were revoked or suspended, such entity would no longer be able to provide services to the Fund.

Competing Claims Over Ownership of Intellectual Property Rights Related to the Fund Could Adversely Affect the Fund and an Investment in the Shares.

While the Managing Owner believes that all intellectual property rights needed to operate the Fund in the manner described in this Prospectus are either owned by or licensed to the Managing Owner or have been obtained, third parties may allege or assert ownership of intellectual property rights which may be related to the design, structure and operations of the Fund. To the extent any claims of such ownership are brought or any proceedings are instituted to assert such claims, the issuance of any restraining orders or injunctions, the negotiation, litigation or settlement of such claims, or the ultimate disposition of such claims in a court of law may adversely affect the Fund and an

investment in the Shares. For example, such actions could result in expenses or damages payable by the Fund, suspension of activities or the termination of the Fund.

The Value of the Shares Will be Adversely Affected if the Fund is Required to Indemnify the Trustee or the Managing Owner.

Under the Trust Agreement, the Trustee and the Managing Owner have the right to be indemnified for any liability or expense they incur, except for any expenses resulting from gross negligence or willful misconduct. That means the Managing Owner may

require the assets of the Fund to be sold in order to cover losses or liability suffered by it or by the Trustee. Any sale of that kind would reduce the NAV of the Fund and, consequently, the value of the Shares.

Although the Shares are Limited Liability Investments, Certain Circumstances such as Bankruptcy of the Fund or Indemnification of the Fund by the Shareholders will Increase a Shareholder's Liability.

The Shares are limited liability investments; investors may not lose more than the amount that they invest plus any appreciation in their investments. However, Shareholders could be required, as a matter of bankruptcy law, to return to the estate of the Fund any distribution they received at a time when the Fund was in fact insolvent or in violation of the Trust Agreement. In addition, Shareholders agree in the Trust Agreement that they will indemnify the Fund for any harm suffered by it as a result of:

Shareholders' actions unrelated to the business of the Fund, or

taxes imposed on the Shares by the states or municipalities in which such investors reside.

The Fund may Potentially Lose Money on its Holdings of Money Market Mutual Funds.

The Funds may invest in government money market funds that have chosen to not rely on the ability to impose fees on shareholder redemptions, or liquidity fees, or temporarily to suspend redemption privileges, or gates, if the government money market fund's weekly liquid assets fall below a certain threshold. Although such government money market funds seek to preserve the value of an investment at \$1.00 per share, there is no guarantee that they will be able to do so and the Funds may lose money by investing in a government money market fund. An investment in a government money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The share price of a government money market fund can fall below the \$1.00 share price. The Funds cannot rely on or expect a government money market fund's adviser or its affiliates to enter into support agreements or take other actions to maintain the government money market fund's \$1.00 share price. The credit quality of a government money market fund's holdings can change rapidly in certain markets, and the default of a

single holding could have an adverse impact on the government money market fund's share price. Due to fluctuations in interest rates, the market value of securities held by a government money market fund may vary. A government money market fund's share price can also be negatively affected during periods of high redemption pressures and/or illiquid markets.

Due to the Increased use of Technologies, Intentional and Unintentional Cyber Attacks Pose Operational and Information Security Risks.

With the increased use of technologies such as the Internet and the dependence on computer systems to perform necessary business functions, the Fund is susceptible to operational and information security risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to gaining unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites. Cyber security failures or breaches of the Fund's third party service providers (including, but not limited to, Index Sponsor, the Administrator and transfer agent) or the issuers of the money market mutual funds and T-Bill ETFs in which the Fund invests, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability of Fund shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties,

reputational damage, reimbursement or other compensation costs, and/or additional compliance costs. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. The Fund and its shareholders could be negatively impacted as a result. While the Managing Owner has established business continuity plans and systems to prevent such cyber attacks, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Fund cannot control the cyber security plans and systems put in place by the Fund's third party service providers. Cyber attacks may also cause disruptions to the futures exchanges and clearinghouses through which the Fund invests in exchange-traded futures contracts, resulting in disruptions to the Fund's investment objectives and resulting in financial losses.

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements that reflect the Managing Owner's current expectations about the future results, performance, prospects and opportunities of the Fund. The Managing Owner has tried to identify these forward-looking statements by using words such as may, will, expect, anticipate, believe, intend, should, the negative of those terms or similar expressions. These forward-looking statements are based on information currently available to the Managing Owner and are subject to a number of risks, uncertainties and other factors, both known, such as those described in Risk Factors and elsewhere in this Prospectus, and unknown, that could cause the actual results, performance, prospects or opportunities of the Fund to differ materially from those expressed in, or implied by, these forward-looking statements.

You should not place undue reliance on any forward-looking statements. Except as expressly required by the federal securities laws, the Managing Owner undertakes no obligation to publicly update or revise any forward-looking statements or the risks, uncertainties or other factors described in this Prospectus, as a result of new information, future events or changed circumstances or for any other reason after the date of this Prospectus.

INVESTMENT OBJECTIVE

The Fund seeks to track changes, whether positive or negative, in the level of the Index over time, plus the excess, if any, of the sum of the Fund's Treasury Income, Money Market Income and T-Bill ETF Income over the expenses of the Fund. The Fund invests in futures contracts in an attempt to track its Index. The Fund holds Treasury Securities, money market mutual funds and T-Bill ETFs for margin and/or cash management purposes only and the Fund's performance reflects the appreciation or depreciation of such securities.

The Shares are designed for investors who want a cost-effective and convenient way to invest in a diversified index of commodity futures.

Advantages of investing in the Fund include:

Ease and Flexibility of Investment. The Shares trade on the NYSE Arca and provide institutional and retail investors with indirect access to commodity futures markets. The Shares may be bought and sold on the NYSE Arca like other exchange-listed securities. Retail investors may purchase and sell Shares through traditional brokerage accounts.

Margin. Shares are eligible for margin accounts.

Diversification. The Shares may help to diversify a portfolio of other investments, because historically the Index has tended to exhibit low to negative correlation with both equities and conventional bonds and positive correlation to inflation.

Optimum Yield . A portion of the Index utilizes an Optimum Yield methodology, which seeks to minimize the effects of negative roll yield that may be experienced by conventional commodities indexes.

Transparency. The Shares provide a more direct investment in commodities than mutual funds or ETFs that invest in commodity-linked notes or otherwise gain indirect exposure to commodities, which may have implicit imbedded costs, credit risk and other potentially opaque features.

Investing in the Fund does not insulate Shareholders from certain risks, including price volatility.

The Shares are intended to provide investment results that generally correspond to changes, positive or negative, in the levels of the Index over time. The value of the Shares is expected to fluctuate in relation to changes in the value of its portfolio. The market price of the Shares may not be identical to the NAV per Share, but these two valuations are expected to be very close. See Risk Factors NAV May Not Always Correspond to Market Price and, as a Result, Baskets May be Created or Redeemed at a Value that Differs from the Market Price of the Shares.

The Fund pursues its investment objective by investing in a portfolio of exchange-traded futures on the commodities comprising the Index.

The Index, which is comprised of Index Commodities, is intended to reflect the agricultural sector. The Index Commodities consist of Corn, Soybeans, Wheat, Kansas City Wheat, Sugar, Cocoa, Coffee, Cotton, Live Cattle, Feeder Cattle and Lean Hogs.

The Fund trades Index Contracts that are subject to position limits under regulations of the CFTC or futures exchange rules, as applicable. The Managing Owner may determine to invest in other futures contracts if at any time it is impractical or inefficient to gain full or partial exposure to an Index Commodity through the use of Index Contracts. These other futures contracts may or may not be based on an Index Commodity. When they are not, the Managing Owner seeks to select futures contracts that it reasonably believes tend to exhibit trading prices that correlate with an Index Contract.

As the Fund approaches or reaches position limits with respect to an Index Commodity, the Fund may commence investing in Index Contracts that reference other Index Commodities. In those circumstances, the Fund may also trade in futures contracts based on commodities other than Index Commodities that the Managing Owner reasonably believes tend to exhibit trading prices that correlate with an Index Contract.

Under the Trust Agreement, the Managing Owner has exclusive management and control of all aspects of the business of the Fund. The Trustee's duties and liabilities with respect to the offering of the Shares and the management of the Fund are limited to its express obligations under the Trust Agreement. The Trustee will have no duty or liability to supervise or monitor the performance of the Managing Owner, nor will the Trustee have any liability for the acts or omissions of the Managing Owner.

There can be no assurance that the Fund will achieve its investment objective or avoid substantial losses.

Role of Managing Owner

The Managing Owner serves as the commodity pool operator and commodity trading advisor of the Fund.

Specifically, with respect to the Fund, the Managing Owner:

selects the Trustee, Commodity Broker, Administrator, Index Sponsor, Custodian, Transfer Agent, Marketing Agent, distributor and auditor;

negotiates various agreements and fees;
performs such other services as the Managing Owner believes that the Fund may from time-to-time require;
and

monitors the performance results of the Fund's portfolio and reallocates assets within the portfolio with a view to causing the performance of the Fund's portfolio to track that of the Index over time.

The Managing Owner is registered as a commodity pool operator and commodity trading advisor with the CFTC and is a member of the NFA. The Managing Owner is an NFA-approved swap firm.

The principal office of the Managing Owner is located at c/o Invesco PowerShares Capital Management LLC, 3500 Lacey Road, Suite 700, Downers Grove, IL 60515. The telephone number of the Managing Owner is (800) 983-0903.

BREAKEVEN ANALYSIS

The estimated amount of all fees and expenses which are anticipated to be incurred by a new investor in Shares during the first twelve months of investment is 0.89% per annum of the NAV of the Fund, or \$0.22 per annum per Share at \$25.00, including the amount of any commissions charged by the investor's broker.

The Fund will be successful only if its annual returns from futures trading, plus its annual Treasury Income, Money Market Income and T-Bill ETF Income exceed such fees and expenses of approximately 0.89% per annum. The Fund is expected to earn Treasury Income equal to 1.41% per annum, based upon the yield of 3-month United States Treasury Securities as of January 31, 2018, or a maximum of \$0.35 per annum per Share at \$25.00 as the NAV per Share. The Fund is also expected to earn Money Market Income equal to 1.18% per annum as of January 31, 2018, or a maximum of \$0.30 per annum per Share at \$25.00 as the NAV per Share. The Fund is also expected to earn T-Bill ETF Income equal to 1.44% per annum as of January 31, 2018, or a maximum of \$0.36 per annum per Share at \$25.00 as the NAV per Share. Because the Fund invests a portion of its assets in Treasury Securities, the money market mutual funds and T-Bill ETFs, its expected income from each of its holdings will be approximately \$0.27, \$0.01 and \$0.07, respectively, for an aggregate amount of approximately \$0.35 per Share at \$25.00 as the NAV per Share. Therefore,

based upon the difference between the sum of the Treasury Income plus the Money Market Income plus the T-Bill ETF Income, on the one hand, and the annual fees and expenses, on the other hand, the Fund will break even on an investment during the first twelve months of an investment, unless the Fund loses at least approximately 0.51% per annum, or \$0.13 per annum per Share at \$25.00 as the NAV per Share.

Breakeven Table

The Breakeven Table on the following page indicates the approximate percentage and dollar returns required for the value of an initial \$25.00 investment in a Share to equal the amount originally invested twelve months after issuance.

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BREAKEVEN TABLE

The Breakeven Table, as presented, is an approximation only. The capitalization of the Fund does not directly affect the level of its charges as a percentage of its NAV, other than brokerage commissions.

Expense	Dollar Amount and Percentage of Expenses and Interest Income DBA ¹	
	\$	%
Management Fee ²	\$0.21	0.85%
Offering Expense Reimbursement	\$0.00	0.00%
Brokerage Commissions and Fees ³	\$0.01	0.04%
Routine Operational, Administrative and Other Ordinary Expenses ^{4,5}	\$0.00	0.00%
Treasury Income, Money Market Income and T-Bill ETF Income ⁶	\$0.35	1.40%
12-Month Breakeven ^{7,8}	\$0.00	0.00%

1. The breakeven analysis set forth in this table assumes that the Shares have a constant month-end NAV per Share of \$25.00. The initial offering price of the Shares was \$25 per Share, which has been consistently used for the breakeven analysis. Using the same NAV per Share enables investors and potential investors to compare on a consistent basis the breakeven point of this Fund with the other commodity futures-based ETFs operated by the Managing Owner. The Managing Owner, in its discretion, may change the assumed NAV per Share in the future. See the Charges section for an explanation of the expenses included in the Breakeven Table. The Managing Owner will pay a marketing services fee to the Marketing Agent and an index services fee to the Index Sponsor. Because the marketing services fee and the index services fee are not paid by the Fund, these fees are not included in the breakeven analysis.

2. From the Management Fee, the Managing Owner is responsible for paying the fees and expenses of the Administrator, Invesco Distributors, the Index Sponsor and the Marketing Agent. The Fund may, for margin and/or cash management purposes, invest in money market mutual funds and/or T-Bill ETFs that are managed by affiliates of the Managing Owner. The indirect portion of the management fees that the Fund may incur through such investments are in addition to the Management Fee paid to the Managing Owner. The Managing Owner has contractually agreed to waive the fees that it receives in an amount equal to the indirect management fees that the Fund incurs through its investments in affiliated money market mutual funds and/or affiliated T-Bill ETFs indefinitely.

As of the date of this prospectus, this waiver is approximately less than \$0.01 per Share per annum.

3. The actual amount of brokerage commissions and trading fees to be incurred will vary based upon the trading frequency of the Fund and the specific futures contracts traded.

4. The Managing Owner is responsible for paying all routine operational, administrative and other ordinary expenses of the Fund.

5. Authorized Participants pay a transaction fee in the amount of \$500 per order to create and redeem Baskets. Because these transaction fees are de minimis in amount, are charged on a transaction-by-transaction basis (and not on a Basket-by-Basket basis), and are borne by the Authorized Participants, they have not been included in the Breakeven Table.
6. Interest income currently is estimated to be earned at a rate of 1.41%, based upon the yield on 3-month United States Treasury Securities as of January 31, 2018, or the Treasury Income. Dividend income currently is estimated to be earned at a rate of 1.18% from the Fund's holdings of money market mutual funds (affiliated or otherwise) as of January 31, 2018, or the Money Market Income. The dollar amount shown is based on the relative amounts of these income producing instruments held by the Fund. Dividend income currently is estimated to be earned at a rate of 1.44% from the Fund's holdings of T-Bill ETFs (affiliated or otherwise) as of January 31, 2018, or the T-Bill ETF Income. Actual Treasury Income, Money Market Income and T-Bill ETF Income could be higher or lower than the levels shown.
7. The table indicates that the breakeven amount during the first 12 months of an investment in the Fund is \$0.00 and 0% of NAV. These figures reflect that, during those first 12 months, the Fund's Treasury Income, Money Market

Income, and T-Bill ETF Income are expected to exceed the Fund's fees and expenses. As disclosed earlier in the Fund's breakeven analysis, the Fund will break even unless it loses at least approximately 0.51% per annum, or \$0.13 per annum per Share at \$25.00 as the NAV per Share.

8. You may pay brokerage commissions in connection with purchases of the Shares. Brokerage commissions have not been included in the Breakeven Table because they are borne by investors rather than the Fund and will generally vary from investor to investor. Investors are encouraged to review the terms of their brokerage accounts for applicable charges.

**PERFORMANCE OF POWERSHARES DB AGRICULTURE FUND (TICKER: DBA), A SERIES OF
POWERSHARES DB MULTI-SECTOR COMMODITY TRUST**

Name of Pool: PowerShares DB Agriculture Fund

Type of Pool: Public, Exchange-Listed Commodity Pool

Inception of Trading: January 2007

Aggregate Gross Capital Subscriptions as of January 31, 2018¹: \$9,805,980,337

NAV as of January 31, 2018²: \$663,356,936

NAV per Share as of January 31, 2018³: \$18.85

Worst Monthly Drawdown⁴: (8.09)% July 2015

Worst Peak-to-Valley Drawdown⁵: (54.37)% February 2008 August 2016⁶

Monthly Rate of Return	2018(%)	2017(%)	2016(%)	2015(%)	2014(%)	2013(%)
January	0.48	2.20	(3.10)	(6.77)	1.61	(0.39)
February		(1.03)	(0.25)	(0.43)	10.86	(5.24)
March		(2.28)	3.05	(3.99)	3.66	(1.82)
April		0.10	2.23	(0.59)	3.28	0.96
May		1.01	1.38	(1.98)	(5.33)	(2.33)
June		(0.65)	3.28	7.10	(0.90)	(2.62)
July		0.30	(6.40)	(8.09)	(2.29)	(1.04)
August		(6.28)	(1.89)	(2.79)	(1.48)	1.83
September		1.55	(1.04)	0.10	(3.42)	0.96
October		2.64	2.50	1.67	0.57	(0.91)
November		(1.85)	(2.73)	(3.48)	(0.55)	(0.96)
December		(1.68)	0.05	0.78	(2.81)	(2.29)
Compound Rate of Return ⁷	0.48%	(6.11%)	(3.34%)	(16.75%)	2.24%	(13.19)%

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Footnotes to Performance Information

1. Aggregate Gross Capital Subscriptions is the aggregate of all amounts ever contributed to the pool, including investors who subsequently redeemed their investments.
2. NAV is the NAV of the pool as of January 31, 2018.
3. NAV per Share is the NAV of the pool divided by the total number of Shares outstanding as of January 31, 2018.

4. Worst Monthly Drawdown is the largest single month loss sustained during the most recent five calendar years and year to date (if applicable). Drawdown as used in this section of the Prospectus means losses experienced by the pool over the specified period and is calculated on a rate of return basis, i.e., dividing net performance by beginning equity. Drawdown is measured on the basis of monthly returns only, and does not reflect intra-month figures. Month is the month of the Worst Monthly Drawdown.

5. Worst Peak-to-Valley Drawdown is the largest percentage decline in the NAV per Share during the most recent five calendar years (and to the extent applicable, for a period beyond the most recent five calendar years if the starting date of the peak value extends beyond this period). This need not be a continuous decline, but can be a series of positive and negative returns where the negative returns are larger than the positive returns. Worst Peak-to-Valley Drawdown represents the greatest percentage decline from any month-end NAV per Share that occurs without such month-end NAV per Share being equaled or exceeded as of a subsequent month-end. For example, if the NAV per Share of the pool declined by \$1 in each of January and February, increased by \$1 in March and declined again by \$2 in April, a peak-to-valley drawdown analysis conducted as of the end of April would consider that drawdown to be still continuing and to be \$3 in amount, whereas if the NAV per Share had increased by \$2 in March, the January-February drawdown would have ended as of the end of February at the \$2 level.

6. The Worst Peak-to-Valley Drawdown from February 2008 – December 2017 reflects the total return of the Fund, including the \$0.45 per Share distribution made to Shareholders of record as of December 17, 2008. Prior to

October 19, 2009, the Fund tracked the Deutsche Bank Liquid Commodity Index-Optimum Yield Agriculture Excess Return . From October 19, 2009 until January 1, 2011, the Fund tracked the Deutsche Bank Liquid Commodity Index Diversified Agriculture Excess Return . On January 1, 2011, the Deutsche Bank Liquid Commodity Index Diversified Agriculture Excess Return changed its name to the name of the Index. The only difference between the Deutsche Bank Liquid Commodity Index Diversified Agriculture Excess Return and the Index is a name change.

7. Compound Rate of Return of the pool is calculated by multiplying on a compound basis each of the monthly rates of return set forth in the chart above and not by adding or averaging such monthly rates of return. For periods of less than one year, the results are year-to-date.

THE FUND'S PERFORMANCE INFORMATION FROM INCEPTION UP TO AND EXCLUDING FEBRUARY 23, 2015 IS A REFLECTION OF THE PERFORMANCE ASSOCIATED WITH DB COMMODITY SERVICES LLC, WHICH SERVED AS THE PREDECESSOR MANAGING OWNER. ALL THE PERFORMANCE INFORMATION ON AND AFTER FEBRUARY 23, 2015 REFLECTS THE PERFORMANCE ASSOCIATED WITH THE MANAGING OWNER.

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DESCRIPTION OF THE DBIQ DIVERSIFIED AGRICULTURE INDEX EXCESS RETURN

The PowerShares DB Agriculture Fund (the Fund) is not sponsored or endorsed by Deutsche Bank AG, Deutsche Bank Securities Inc. or any subsidiary or affiliate of Deutsche Bank AG or Deutsche Bank Securities Inc. (collectively, Deutsche Bank). The DBIQ Diversified Agriculture Index Excess Return (the DB Index) is the exclusive property of Deutsche Bank Securities Inc. DBIQ and Optimum Yield are service marks of Deutsche Bank AG and have been licensed for use for certain purposes by Deutsche Bank Securities Inc. Neither Deutsche Bank nor any other party involved in, or related to, making or compiling the DB Index makes any representation or warranty, express or implied, concerning the DB Index, the Fund or the advisability of investing in securities generally. Neither Deutsche Bank nor any other party involved in, or related to, making or compiling the DB Index has any obligation to take the needs of Invesco PowerShares Capital Management LLC, the sponsor of the Fund, or its clients into consideration in determining, composing or calculating the DB Index. Neither Deutsche Bank nor any other party involved in, or related to, making or compiling the DB Index is responsible for or has participated in the determination of the timing of, prices at, quantities or valuation of the Fund. Neither Deutsche Bank nor any other party involved in, or related to, making or compiling the DB Index has any obligation or liability in connection with the administration or trading of the Fund.

NEITHER DEUTSCHE BANK NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING THE DB INDEX, WARRANTS OR GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE DB INDEX OR ANY DATA INCLUDED THEREIN AND SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. NEITHER DEUTSCHE BANK NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING THE DB INDEX, MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY INVESCO POWERSHARES CAPITAL MANAGEMENT LLC FROM THE USE OF THE DB INDEX OR ANY DATA INCLUDED THEREIN. NEITHER DEUTSCHE BANK NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING THE DB INDEX, MAKES ANY EXPRESS OR IMPLIED WARRANTIES, AND

EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE DB INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL DEUTSCHE BANK OR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING THE DB INDEX HAVE ANY LIABILITY FOR DIRECT, INDIRECT, PUNITIVE, SPECIAL, CONSEQUENTIAL OR ANY OTHER DAMAGES OR LOSSES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY THEREOF. EXCEPT AS EXPRESSLY PROVIDED TO THE CONTRARY, THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN DEUTSCHE BANK AND INVESCO POWERSHARES CAPITAL MANAGEMENT LLC.

No purchaser, seller or holder of the shares of this Fund, or any other person or entity, should use or refer to any Deutsche Bank trade name, trademark or service mark to sponsor, endorse, market or promote this Fund without first contacting Deutsche Bank to determine whether Deutsche Bank's permission is required. Under no circumstances may any person or entity claim any affiliation with Deutsche Bank without the written permission of Deutsche Bank.

General

Each of the DBIQ-OYER and the DBIQ ER is intended to reflect the changes in market value, over time, positive or negative, in the Index Commodities. The Index is calculated on an excess return, or unfunded basis. The Index is rolled on both an Optimum Yield and non-Optimum Yield basis. The Optimum Yield rolling methodology is aimed at potentially maximizing the roll benefits in backwarddated markets and minimizing the losses from rolling in contangoed markets. The non-Optimum Yield portion of the Index is rolled to the next to expire futures contract as provided below under Contract Selection (Non-OY Single Commodity Indexes only). The Index is comprised of one

or more Index Commodities. Each Index Commodity is assigned an Index Base Weight, which is intended to reflect the proportion of such Index Commodity relative to the Index.

The Index is intended to reflect the agricultural sector.

The Index has been calculated back to the Base Date. On the Base Date of January 18, 1989, the closing level of the Index (Closing Level) was 100.

The Index Sponsor is Deutsche Bank Securities Inc. The Index Sponsor may from time-to-time subcontract the provision of the calculation and other services described below to one or more third parties.

Overview of DBIQ Diversified Agriculture Index Excess Return

Index Commodity	Exchange (Contract Symbol)¹	Base Date	Index Base Weight
Corn ²	CBOT (C)	January 18, 1989	12.50%
Soybeans ²	CBOT (S)		12.50%
Wheat ²	CBOT (W)		6.25%
Kansas City Wheat ²	KCB (KW)		6.25%
Sugar ²	ICE-US (SB)		12.50%
Cocoa ³	ICE-US (CC)		11.11%
Coffee ³	ICE-US (KC)		11.11%
Cotton ³	ICE-US (CT)		2.78%
Live Cattle ³	CME (LC)		12.50%
Feeder Cattle ³	CME (FC)		4.17%
Lean Hogs ³	CME (LH)		8.33%

¹Connotes the exchanges on which the underlying futures contracts are traded with respect to each Single Commodity Index.

²Connotes Single Commodity Index rolled on Optimum Yield™ basis.

³Connotes non-OY Single Commodity Index.

Legend:

CBOT means the Board of Trade of the City of Chicago Inc., or its successor.

CME means the Chicago Mercantile Exchange, Inc., or its successor.

ICE-US means ICE Futures U.S., Inc., or its successor.

KCB mean the Board of Trade of Kansas City, Missouri, Inc., a part of the CME Group, or its successor.

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Composition of the Index

The Index is composed of notional amounts of each of the underlying Index Commodities. The notional amounts of the Index Commodities included in the Index are intended to reflect the changes in market value of each such Index Commodity within the Index.

The Index is rebalanced annually in November to ensure that each of the Index Commodities is weighted in the same proportion that such Index Commodities were weighted on the Base Date.

The composition of the Index may be adjusted in the event that the Index Sponsor is not able to calculate the closing prices of the Index Commodities.

The Index includes provisions for the replacement of futures contracts as they approach maturity. This replacement takes place over a period of time in order to lessen the impact on the market for the futures contracts being replaced. With respect to each Index Commodity, the Fund employs a rule-based approach when it rolls from one futures contract to another. The Index is comprised of OY Single Commodity Indexes and non-OY Single Commodity Indexes. The Index Commodities that underlie the OY Single Commodity Indexes are Corn, Soybeans, Wheat, Kansas City Wheat and Sugar. The Index Commodities that underlie the non-OY Single Commodity Indexes are Cocoa, Coffee, Cotton, Live Cattle, Feeder Cattle and Lean Hogs. The OY Single Commodity Indexes are rolled from one contract to another futures contract that is intended to generate the most favorable implied roll yield under prevailing market conditions. Where there is an upward-sloping price curve for futures contracts, the implied roll yield is expected to be negative. The selection of a new futures contract on an Index Commodity in such market conditions is designed to minimize the impact of negative roll yield. Conversely, where there is a downward-sloping price curve for futures contracts, the implied roll yield is expected to be positive. The selection of a new futures contract on an Index Commodity in such market conditions is designed to maximize the impact of positive roll yield. The OY Single Commodity Indexes take the impact of implied roll yield into consideration by selecting, as the replacement for an expiring futures contract, the futures contract with a delivery month within the next thirteen months that generates the most favorable implied roll yield under the current market conditions.

The market condition in which the Index is designed to maximize the effect of positive roll yield when entering into new futures contracts is called backwardation. Rolling in a backwardated market will tend to enhance returns from futures trading. The market condition in which the Index is designed to mitigate the effect of negative roll yield when entering into new futures contracts is called contango. Rolling in a contangoed market will tend to cause a drag on returns from futures trading.

Each of the non-OY Single Commodity Indexes rolls only to the next to expire futures contract as provided below under Contract Selection (Non-OY Single Commodity Indexes only) .

Returns from futures trading are called excess return, which is the combined return based on the spot prices of Index Commodities and the roll yield from trading futures contracts on Index Commodities.

The Managing Owner may determine to invest in other futures contracts if at any time it is impractical or inefficient to gain full or partial exposure to an Index Commodity through the use of Index Contracts. These other futures contracts may or may not be based on an Index Commodity. When they are not, the Managing Owner may seek to select futures contracts that it reasonably believes tend to exhibit trading prices that correlate with an Index Contract. As the Fund approaches or reaches position limits with respect to an Index Commodity, the Fund may commence investing in Index Contracts that reference other Index Commodities. In those circumstances, the Fund may also trade in futures contracts based on commodities other than Index Commodities that the Managing Owner reasonably believes tend to exhibit trading prices that correlate with an Index Contract.

The Index is calculated in USD on an excess return (unfunded) basis, which means that the Index reflects the return associated with spot prices for Index Commodities and the roll yield associated with trading futures contracts on Index Commodities. The Fund also invests in securities that are expected to generate income, including Treasury Securities, money market mutual funds, and T-Bill ETFs. These securities are held with the Custodian. In addition, Treasury Securities for deposit may be held with the Commodity Broker as margin for the Fund's futures positions. The Index does not reflect any corresponding income characteristics.

The futures contract price for each Index Commodity will be the exchange closing price for such Index Commodity on a day on which the relevant exchange is open for business (Index Business Day). If a weekday is not an Exchange Business Day (as defined in the following sentence) but is an Index Business Day, the exchange closing price from the previous Index Business Day will be used for each Index Commodity. Exchange Business Day means, in respect of an Index Commodity, a day that is a trading day for such Index Commodity on the relevant exchange (unless either an Index disruption event or force majeure event has occurred).

Contract Selection (OY Single Commodity Indexes only)

On the Verification Date, each Index Commodity futures contract will be tested in order to determine whether to continue including it in the applicable OY Single Commodity Index. If the Index Commodity futures contract requires delivery of the underlying commodity in the next month, known as the Delivery Month, a new Index Commodity futures contract will be selected for inclusion in such OY Single Commodity Index. For example, if the first Index Business Day is May 1 of the current year, and the Delivery Month of the Index Commodity futures contract currently in such OY Single Commodity Index is June of the current year, a new Index Commodity futures contract with a later Delivery Month will be selected.

For each underlying Index Commodity of an OY Single Commodity Index, the new Index Commodity futures contract selected will be the Index Commodity futures contract with the best possible implied roll yield based on the closing price for each eligible Index Commodity futures contract. Eligible Index Commodity futures contracts are any Index Commodity futures contracts having a Delivery Month (i) no sooner than the month after the Delivery Month of the Index Commodity futures contract currently in such OY Single Commodity Index, and (ii) no later than the thirteenth month after the Verification Date. For example, if the first Index Business Day is May 1 of the current year and the Delivery Month of an Index Commodity futures contract currently in an OY Single Commodity Index is therefore June of the current year, the Delivery Month of an eligible new Index Commodity futures contract must be between July of the current year and June of the following year. The implied roll yield is then calculated and the futures contract on the Index

Commodity with the best possible implied roll yield under the current market conditions is then selected. If two futures contracts have the same implied roll yield, the futures contract with the minimum number of months prior to the Delivery Month is selected.

After selection of the replacement futures contract, each OY Single Commodity Index will roll such replacement futures contract as provided in the sub-paragraph Monthly Index Roll Period with respect to both OY Single Commodity Indexes and Non-OY Single Commodity Indexes.

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Contract Selection (Non-OY Single Commodity Indexes only)

On the first Index Business Day of each month, each non-OY Single Commodity Index will select a new futures contract to replace the old futures contract as provided in the following schedule.

Contract	Exchange (Symbol)	Month and Letter Codes											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cocoa	ICE-US (CC)	H	K	K	N	N	U	U	Z	Z	Z	H	H
Coffee	ICE-US (KC)	H	K	K	N	N	U	U	Z	Z	Z	H	H
Cotton	ICE-US (CT)	H	K	K	N	N	Z	Z	Z	Z	Z	H	H
Live Cattle	CME (LC)	J	J	M	M	Q	Q	V	V	Z	Z	G	G
Feeder Cattle	CME (FC)	H	J	K	Q	Q	Q	U	V	X	F	F	H
Lean Hogs	CME (LH)	J	J	M	M	N	Q	V	V	Z	Z	G	G

Month	Letter Code
January	F
February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

After selection of the replacement futures contract, each non-OY Single Commodity Index will roll such replacement futures contract as provided in the sub-paragraph Monthly Index Roll Period with respect to both OY Single Commodity Indexes and Non-OY Single Commodity Indexes.

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Monthly Index Roll Period with respect to both OY Single Commodity Indexes and Non-OY Single Commodity Indexes

After the futures contract selection with respect to both OY Single Commodity Indexes and non-OY Single Commodity Indexes, the monthly roll for each Index Commodity subject to a roll in that particular month unwinds the old futures contract and enters a position in the new futures contract. This takes place between the second and sixth Index Business Day of the month.

On each day during the roll period, new notional holdings are calculated. The calculations for the old Index Commodities that are leaving the Index and the new Index Commodities are then calculated.

On all days that are not monthly index roll days, the notional holdings of each Index Commodity future remains constant.

The Index is re-weighted on an annual basis on the sixth Index Business Day of each November.

The calculation of the Index is expressed as the weighted average return of the Index Commodities.

Change in the Methodology of the Index

The Index Sponsor employs the methodology described above and its application of such methodology shall be conclusive and binding. While the Index Sponsor currently employs the above described methodology to calculate the Index, no assurance can be given that fiscal, market, regulatory, juridical or financial circumstances (including, but not limited to, any changes to or any suspension or termination of or any other events affecting any Index Commodity or a futures contract) will not arise that would, in the view of the Index Sponsor, necessitate a modification of or change to such methodology. In such circumstances the Index Sponsor may make any such modification or change as it determines appropriate. The Index Sponsor may also make adjustments to the terms of the Index in any manner that it may deem necessary or desirable, including (without limitation) to correct any manifest or proven error or to cure, correct or supplement any defective provision of the Index. The Index Sponsor will publish notice of any such adjustment and the effective date thereof as set forth below.

Publication of Closing Levels and Adjustments

In order to calculate the indicative Index level, the Index Sponsor polls Reuters every 15 seconds to determine the real time price of each underlying futures contract with respect to each Index Commodity of the Index. The Index Sponsor then applies a set of rules to these values to create the indicative level of the Index. These rules are consistent with the rules which the Index Sponsor applies at the end of each trading day to calculate the closing level of the Index.

The IIV per Share is based on the prior day's final NAV, adjusted four times per minute throughout the trading day to reflect the continuous price changes of the Fund's futures positions, which provides a continuously updated estimated NAV per Share.

The Index Sponsor calculates and publishes the closing level of the Index daily. The Managing Owner publishes the NAV of the Fund and the NAV per Share daily. The Index Sponsor also calculates and publishes the intra-day Index level, and the Index Sponsor calculates, and the Managing Owner publishes, the IIV per Share (quoted in U.S. dollars) once every fifteen seconds throughout each trading day.

All of the foregoing information is published as follows:

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The intra-day level of the Index (symbol: DBAGIX) and the IIV per Share (symbol: DBA.IV) (each quoted in U.S. dollars) are published once every fifteen seconds throughout each trading day on the consolidated tape, Reuters and/or Bloomberg and on the Managing Owner's website at <http://www.powershares.com>, or any successor thereto.

The current trading price per Share (symbol: DBA) (quoted in U.S. dollars) is published continuously as trades occur throughout each trading day on the consolidated tape, Reuters and/or Bloomberg and on the Managing Owner's website at <http://www.powershares.com>, or any successor thereto.

The most recent end-of-day Index closing level (symbol: DBLCDBAE) is published as of the close of business for the NYSE Arca each trading day on the consolidated tape, Reuters and/or Bloomberg and on the Managing Owner's website at <http://www.powershares.com>, or any successor thereto.

The most recent end-of-day NAV of the Fund (symbol: DBA.NV) is published as of the close of business on Reuters and/or Bloomberg and on the Managing Owner's website at <http://www.powershares.com>, or any successor thereto. In addition, the most recent end-of-day NAV of the Fund (symbol: DBA.NV) is published the following morning on the consolidated tape.

All of the foregoing information with respect to the Index, including the Index's history, is also published at <https://index.db.com>.

Any adjustments made to the Index will be published on both <https://index.db.com> and at <http://www.powershares.com>, or any successor(s) thereto.

The Index Sponsor obtains information for inclusion in, or for use in the calculation of, the Index from sources the Index Sponsor considers reliable. None of the Index Sponsor, the Managing Owner, the Fund or any of their respective affiliates accepts responsibility for or guarantees the accuracy and/or completeness of the Index or any data included in the Index.

Interruption of Index Calculation

Calculation of the Index may not be possible or feasible under certain events or circumstances, including, without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance, that is beyond the reasonable control of the Index Sponsor and that the Index Sponsor determines affects the Index or any Index Commodity. Upon the occurrence of such force majeure events, the Index Sponsor may, in its discretion, elect one (or more) of the following options:

make such determinations and/or adjustments to the terms of the Index as it considers appropriate to determine any closing level on any such appropriate Index Business Day; and/or

defer publication of the information relating to the Index until the next Index Business Day on which it determines that no force majeure event exists; and/or

permanently cancel publication of the information relating to the Index.

Calculation of the Index may also be disrupted by an event that would require the Index Sponsor to calculate the closing price in respect of the relevant Index Commodity on an alternative basis were such event to occur or exist on a day that is a trading day for futures contracts in such Index Commodity on the relevant exchange. If such an Index disruption event occurs and continues for a period of five successive trading days, the Index Sponsor will, in its discretion, either:

continue to calculate the relevant closing price for a further period of five successive trading days for such Index Commodity on the relevant exchange; or

if such period extends beyond the five successive trading days, the Index Sponsor may elect to replace the futures contract with respect to such Index Commodity and shall make all necessary adjustments to the methodology and calculation of the Index as it deems appropriate.

Historical Closing Levels

The Closing Level Tables present closing levels for the Index (Closing Levels) since January 2008. The historical data shown with respect to the closing prices of futures contracts on Feeder Cattle (FC), Cotton #2 (CT), Coffee (KC), Cocoa (CC), Live Cattle (LC), Lean Hogs (LH), Corn (C), Wheat (W), Soybeans (S), Sugar #11 (SB) and Kansas City Wheat (KW) originated from Reuters. The Index Sponsor has not independently verified the information extracted from this source.

The Closing Level Tables are also presented for DBIQ Diversified Agriculture Index Total Return™, which has the same components as the Index.

Complete price histories regarding certain futures contracts on the Index Commodities were not available (e.g., due to lack of trading on specific days). In the event that prices on such futures contracts on the Index Commodities were unavailable during a contract selection day, such futures contracts were excluded from the futures contract selection process. The Index Sponsor believes that the incomplete price histories should not have a material impact on the calculation of the Index.

The Index Closing Level is equal to the weighted sum of the market value of the commodity futures contracts of all the respective Index

Commodities that comprise the Index. The market value of the commodity futures contracts of an Index Commodity is equal to the number of commodity futures contracts multiplied by the commodity futures contracts' closing price. The weight of an Index Commodity is the market value of the commodity futures contracts of the Index Commodity divided by the sum of all market values of all commodity futures contracts of the Index Commodities that comprise an Index, multiplied by 100%.

The Index rules stipulate the holding in each Index Commodity futures contract. Holdings in each Index Commodity change during the Index rebalancing periods as determined by the Optimum Yield roll rules and the non-Optimum Yield roll rules, as applicable.

Cautionary Statement-Statistical Information

Various statistical information is presented on the following pages, relating to the Closing Levels of the Index, on an annual and cumulative basis, including certain comparisons of the Index to other commodities indices. In reviewing such information, you should consider that:

Changes in Closing Levels of the Index during any particular period or market cycle may be volatile.

See Risk Factors Price Volatility May Cause the Total Loss of Your Investment.

The Closing Levels of the Index do not reflect any reduction commensurate with the fees, expenses, and other costs incurred by the Fund in connection with pursuing its investment objective.

The Index was established in September 2009 and is independently calculated by the Index Sponsor. The calculation methodology and commodity futures contract selection for the Index has been the same since the Index was established in September 2009, meaning that the same calculation method and contract selection have been used since the Base Date. Accordingly, the Closing Levels of the Index, terms of the Index methodology and Index Commodities, reflect an element of hindsight based on the calculations and selections made at the time the Index was established. See Risk Factors Historical Performance of the Fund and the Index is

Not Indicative of Future Performance and Risk Factors Fewer Representative Commodities May Result in Greater Index Volatility.

Information on the Index's components and its performance over time is included below. No representation is being made that the Index will or is likely to achieve annual or cumulative closing levels consistent with or similar to those set forth herein. Similarly, no representation is being made that the Fund will generate profits or losses similar to the Index's past performance or the historical annual or cumulative changes in Index closing levels. The Index's performance should not be understood as a substitute for information on the Fund's performance. Please see PERFORMANCE OF POWERSHARES DB AGRICULTURE FUND (TICKER: DBA) for a discussion of the Fund's performance.

Prior to October 19, 2009, the Fund tracked the Deutsche Bank Liquid Commodity Index-Optimum Yield Agriculture Excess Return. From October 19, 2009 until January 1, 2011, the Fund tracked the Deutsche Bank Liquid Commodity Index Diversified Agriculture Excess Return. On January 1, 2011, the Deutsche Bank Liquid Commodity Index Diversified Agriculture Excess Return changed its name to the name of the Index. The only difference between the Deutsche Bank Liquid Commodity Index Diversified Agriculture Excess Return and the Index is a name change.

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CLOSING LEVELS TABLES**DBIQ DIVERSIFIED AGRICULTURE INDEX EXCESS RETURN**

	CLOSING LEVEL		INDEX CHANGES	
	High ¹	Low ²	Annual ³	Since Inception ⁴
2008	123.53	71.21	-19.22%	-17.42%
2009	87.40	72.91	4.18%	-13.97%
2010	105.23	74.69	22.32%	5.23%
2011	114.93	90.14	-10.68%	-6.01%
2012	100.65	84.22	-2.14%	-8.02%
2013	92.12	80.70	-12.26%	-19.30%
2014	97.66	80.26	3.30%	-16.63%
2015	84.35	68.34	-15.86%	-29.86%
2016	78.05	66.53	-2.86%	-31.86%
2017	71.26	61.95	-6.06%	-35.99%
2018 ⁵	64.75	63.18	0.38%	-35.74%

THE PRIOR INDEX LEVELS AND CHANGES TO THE INDEX LEVELS SHOWN ABOVE DO NOT REPRESENT THE FUND'S PERFORMANCE AND ARE NOT INDICATIVE OF THE FUND'S FUTURE PERFORMANCE. THE INDEX DOES NOT REFLECT ANY FEES OR EXPENSES ASSOCIATED WITH OPERATING A FUND OR ACTUAL TRADING.

Please refer to the Notes section below.

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The Index Sponsor also maintains a separate index, DBIQ Diversified Agriculture Index Total Return (DBIQ Diversified Agriculture TR) which the Fund does not track. DBIQ Diversified Agriculture TR is calculated on a funded (total return) basis, which reflects the change in market value of the underlying index commodities and interest income from a hypothetical basket of fixed income securities. DBIQ Diversified Agriculture TR is included so that investors can evaluate an index with both futures and income components, as the Fund tracks the Index and expects to generate income from positions in Treasury Securities, money market funds, and/or T-Bill ETFs that are maintained for margin and/or cash management purposes.

DBIQ Diversified Agriculture TR reflects the change in the market value of the same underlying commodities as the Index. DBIQ Diversified Agriculture TR and the Index each reflect those changes on both an optimum yield and non-optimum yield basis. OY Single Commodity Indexes are calculated to reflect the rolling of futures contracts in a manner that generates the best possible implied roll yield under the current market conditions. Each of the Non-OY Single Commodity Indexes rolls only to the next to expire futures contract as provided below under Contract Selection (Non-OY Single Commodity Indexes only) .

CLOSING LEVELS TABLES

DBIQ DIVERSIFIED AGRICULTURE INDEX TOTAL RETURN

	CLOSING LEVEL		INDEX CHANGES	
	High ¹	Low ²	Annual ³	Since Inception ⁴
2008	285.15	166.00	-18.09%	92.50%
2009	204.74	177.70	4.91%	101.95%
2010	245.99	175.42	21.80%	145.99%
2011	268.73	210.82	-10.64%	119.81%
2012	235.53	197.03	-2.06%	115.29%
2013	215.61	189.01	-12.21%	89.01%
2014	228.74	187.97	3.33%	95.30%
2015	197.61	160.15	-15.82%	64.40%
2016	183.14	155.98	-2.55%	60.21%
2017	167.61	146.94	-5.18%	51.92%
2018 ⁵	153.71	150.04	0.51%	52.70%

THE FUND DOES NOT TRACK DBIQ DIVERSIFIED AGRICULTURE INDEX TOTAL RETURN .

THE PRIOR INDEX LEVELS AND CHANGES TO THE INDEX LEVELS SHOWN ABOVE DO NOT REPRESENT THE FUND'S PERFORMANCE AND ARE NOT INDICATIVE OF THE FUND'S FUTURE PERFORMANCE. THE INDEX SHOWN DOES NOT REFLECT ANY FEES OR EXPENSES ASSOCIATED WITH OPERATING A FUND OR ACTUAL TRADING.

Please refer to the Notes section below.

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The following table presents various measures of performance for the Index (DBIQ Diversified Agriculture ERM), DBIQ Diversified Agriculture TR™, and S&P GSCI Agriculture Index Total Return, which is a broad-based commodity index. The S&P GSCI Agriculture Index Total Return has been included to provide investors with an additional basis for evaluating the Fund.

All statistics based on data from January 18, 1989 to January 31, 2018.

VARIOUS STATISTICAL MEASURES	DBIQ Diversified Agriculture ERM		
	DBIQ Diversified Agriculture TR	S&P GSCI Agriculture Index Total Return	S&P GSCI Agriculture Index Total Return
Annualized Changes to Index Level ⁶	1.5%	-1.5%	-2.5%
Average rolling 3 month daily volatility ⁷	11.8%	11.8%	16.6%
Sharpe Ratio ⁸	-0.13	-0.13	-0.34
% of months with positive change ⁹	50%	46%	46%
Average monthly positive change ¹⁰	2.9%	2.8%	4.2%
Average monthly negative change ¹¹	-2.5%	-2.5%	-3.7%

ANNUALIZED INDEX LEVELS ¹²	DBIQ Diversified Agriculture TR	DBIQ Diversified Agriculture ER	S&P GSCI Agriculture Index Total Return
	1 year	-6.8%	-7.8%
3 year	-5.8%	-6.2%	-8.4%
5 year	-6.6%	-6.9%	-12.8%
7 year	-7.4%	-7.6%	-11.1%
10 year	-5.0%	-5.3%	-8.0%
15 year	-0.3%	-1.5%	-3.6%

The Fund tracked the Deutsche Bank Liquid Commodity Index Diversified Agriculture Excess Return from October 19, 2009 until January 1, 2011. The Fund has tracked the DBIQ Diversified Agriculture Index Excess Return since January 1, 2011. The only difference between the Deutsche Bank Liquid Commodity Index Diversified Agriculture Excess Return and the DBIQ Diversified Agriculture Index Excess Return is a name change.

THE FUND DOES NOT TRACK DBIQ DIVERSIFIED AGRICULTURE TR OR THE S&P GSCI AGRICULTURE INDEX TOTAL RETURN. THE VARIOUS STATISTICAL MEASURES AND ANNUALIZED INDEX LEVELS SHOWN ABOVE DO NOT REPRESENT THE FUND'S PERFORMANCE AND ARE NOT INDICATIVE OF THE FUND'S FUTURE PERFORMANCE.

Please refer to the Notes section below.

The following tables present additional information regarding the Index (DBIQ Diversified Agriculture ER™), DBIQ Diversified Agriculture TR™, and S&P GSCI Agriculture Index Total Return, along with information on two additional agricultural indexes.

COMPARISON OF VARIOUS COMMODITIES INDICES¹³

(January 18, 1989 to January 31, 2018)

THE FUND TRACKS ONLY ITS OWN INDEX, DBIQ DIVERSIFIED AGRICULTURE INDEX EXCESS RETURN .

THE PRIOR INDEX LEVELS SHOWN ABOVE DO NOT REPRESENT THE FUND'S PERFORMANCE AND ARE NOT INDICATIVE OF THE FUND'S FUTURE PERFORMANCE. THE INDEXES DO NOT REFLECT ANY FEES OR EXPENSES ASSOCIATED WITH OPERATING A FUND OR ACTUAL TRADING.

Please refer to the Notes section below.

COMPARISON OF ANNUAL RETURNS OF VARIOUS INDICES¹³

(January 18, 1989 to January 31, 2018)

THE FUND TRACKS ONLY ITS OWN INDEX, DBIQ DIVERSIFIED AGRICULTURE INDEX EXCESS RETURN .

THE PRIOR INDEX LEVELS SHOWN ABOVE DO NOT REPRESENT THE FUND S PERFORMANCE AND ARE NOT INDICATIVE OF THE FUND S FUTURE PERFORMANCE. THE INDEXES DO NOT REFLECT ANY FEES OR EXPENSES ASSOCIATED WITH OPERATING A FUND OR ACTUAL TRADING.

Please refer to the Notes section below.

NOTES:

1. High reflects the highest closing level of the Index during the applicable year.
2. Low reflects the lowest closing level of the Index during the applicable year.
3. Annual Index Changes reflect the change to the Index closing level on an annual basis as of December 31 of each applicable year.
4. Index Changes Since Inception reflects the change of the Index level since inception on a compounded annual basis as of December 31 of each applicable year.
5. Closing levels as of January 31, 2018.
6. Annualized Changes to Index Level reflect the change to the applicable index level on an annual basis as of December 31 of each applicable year.
7. Average rolling 3 month daily volatility. The daily volatility reflects the relative rate at which the price of the applicable index moves up and down, which is found by calculating the annualized standard deviation of the daily change in price. In turn, an average of this value is calculated on a 3 month rolling basis.
8. Sharpe Ratio compares the annualized rate of return minus the annualized risk-free rate of return to the annualized variability often referred to as the standard deviation of the monthly rates of return. A Sharpe Ratio of 1:1 or higher indicates that, according to the measures used in calculating the ratio, the rate of return achieved by a particular strategy has equaled or exceeded the risks assumed by such strategy. The risk-free rate of return that was used in these calculations was assumed to be 3.05%.
9. % of months with positive change during the period from inception to January 31, 2018.
10. Average monthly positive change during the period from inception to January 31, 2018.
11. Average monthly negative change during the period from inception to January 31, 2018.
12. Annualized Index Levels reflect the change to the level of the applicable index on an annual basis as of December 31 of each the applicable time period (e.g., one year, three, five or seven, ten or fifteen years, as applicable).
13. Prior to October 19, 2009, the Fund tracked the Deutsche Bank Liquid Commodity Index-Optimum Yield Agriculture Excess Return . From October 19, 2009 until January 1, 2011, the Fund tracked the Deutsche Bank Liquid Commodity Index Diversified Agriculture Excess Return . On January 1, 2011, the Deutsche Bank Liquid Commodity Index Diversified Agriculture Index Excess ReturnTM changed its name to the name of the Index. The only difference between the Deutsche Bank Liquid Commodity Index Diversified Agriculture Index Excess ReturnTM and the Index is a name change.

USE OF PROCEEDS

Proceeds of the offering of the Shares are used by the Fund to engage in the trading of futures on the Index Commodities with a view to tracking the changes, positive or negative, in the levels of the Index over time. Proceeds of the offering are also used to pay the Fund's fees, expenses, and other costs. The Fund holds a portfolio of futures contracts on the Index Commodities and United States Treasury Securities for deposit with the Fund's Commodity Broker as margin and United States Treasury Securities, cash and money market mutual funds (affiliated or otherwise) on deposit with the Custodian (for margin and/or cash management purposes). In addition, the Fund gains an exposure to United States Treasury Securities with a maximum remaining maturity of up to twelve months through its holdings of T-Bill ETFs (affiliated or otherwise). Such holdings of T-Bill ETFs are also on deposit with the Custodian (for margin and/or cash management purposes) and may be held by the Fund's Commodity Broker as margin, to the extent permissible under CFTC rules. Approximately 4.42% of the Fund's NAV is required to be posted as collateral with respect to its holdings of futures contracts on the Index Commodities as of January 31, 2018. Collateral requirements are initially set by the applicable futures exchanges. The Commodity Broker applies an additional collateral requirement based on a number of factors, including, but not limited to, volatility, concentration, percentage of open interest, and position size with respect to the futures contracts on the Index Commodities. For purposes of calculating the approximate percentage of the Fund's NAV that was posted as collateral, the Fund's aggregate assets under management reflected the sum of the Fund's holdings of Treasury Securities, money market mutual funds, T-Bill ETFs, cash and the value of the futures contracts on the Index Commodities that have been marked to market as of January 31, 2018.

The Fund trades futures contracts on the Index Commodities, with a view to tracking the Index over time. The Index is intended to reflect the agricultural sector. The Index Commodities consist of Corn, Soybeans, Wheat, Kansas City Wheat, Sugar, Cocoa, Coffee, Cotton, Live Cattle, Feeder Cattle and Lean Hogs.

To the extent that the Fund trades in futures contracts on United States exchanges, the assets deposited by the Fund with its Commodity Broker as margin must be segregated pursuant to the

regulations of the CFTC. Such segregated funds may be invested only in a limited range of instruments, principally U.S. government obligations.

The Fund may trade in futures contracts on non-U.S. exchanges, for instance, if at any time it is impractical or inefficient to gain full or partial exposure to any Index Commodity through the use of Index Contracts. To the extent that the Fund trades futures on markets other than United States futures exchanges, funds deposited to margin positions held on such exchanges are invested in bank deposits or in instruments of a credit standing generally comparable to those authorized by the CFTC for investment of customer segregated funds, although applicable CFTC rules prohibit funds employed in trading on foreign exchanges from being deposited in customer segregated fund accounts.

Although the percentages set forth below may vary substantially over time, as of the date of this Prospectus, the Fund estimates:

- i. up to 5% of the NAV of the Fund will be required to be placed in segregated accounts in the name of the Fund with the Commodity Broker (or another eligible financial institution, as applicable) in the form of cash, money market mutual funds or T-Bill ETFs (affiliated or otherwise) or United States Treasury Securities to margin positions of all commodities combined. Such funds are segregated pursuant to CFTC rules; and

- ii. up to 95% of the NAV of the Fund is maintained in segregated accounts with the Custodian in the name of the Fund in bank deposits, money market mutual funds, T-Bill ETFs or United States Treasury Securities (or other securities approved by the CFTC for investment of customer funds) for margin and/or cash management purposes when assets of the Fund are not being used to margin positions.

The Managing Owner, a CFTC-registered commodity pool operator and commodity trading advisor is responsible for the cash management activities of the Fund, including investing in United States Treasury Securities, money market mutual funds (affiliated or otherwise) and T-Bill ETFs (affiliated or otherwise), as applicable.

The Fund receives 100% of its Treasury Income, Money Market Income and T-Bill ETF Income.

CHARGES

See Breakeven Analysis for breakeven related information.

Management Fee

The Fund pays the Managing Owner a Management Fee, monthly in arrears, in an amount equal to 0.85% per annum of the daily NAV of the Fund. The Management Fee is paid in consideration of the Managing Owner's services related to the management of the Fund's business and affairs, including the provision of commodity futures trading advisory services.

The Fund may, for margin and/or cash management purposes, invest in money market mutual funds and/or T-Bill ETFs that are managed by affiliates of the Managing Owner. The indirect portion of the management fees that the Fund may incur through such investments is in addition to the Management Fee paid to the Managing Owner. The Managing Owner has contractually agreed to waive the fees that it receives in an amount equal to the indirect management fees that the Fund incurs through its investments in affiliated money market mutual funds and/or affiliated T-Bill ETFs indefinitely.

Organization and Offering Expenses

Expenses incurred in connection with organizing the Fund and the initial offering of the Shares were paid by DB Commodity Services LLC (the Predecessor Managing Owner). Expenses incurred in connection with the continuous offering of Shares from commencement of the Fund's trading operations up to and excluding February 23, 2015 were also paid by the Predecessor Managing Owner. Expenses incurred in connection with the continuous offering of Shares on and after February 23, 2015 are paid by the Managing Owner. The Managing Owner aggregates the offering expenses related to the Fund and other commodity pools within the PowerShares DB fund suite, and allocates the costs associated to each Fund for payment by the Managing Owner on behalf of the Fund. The Managing Owner expects that the expenses incurred in connection with the continuous offering of Shares of the PowerShares DB fund suite may be approximately 0.05% of the average of the funds' NAV during the life of the Fund's currently effective registration statement. These costs may vary considerably during the life of the Fund's current registration statement, but the

Managing Owner retains the obligation to pay those expenses in lieu of the Fund.

Offering expenses relating to the Fund means those expenses incurred in connection with offering, distributing and processing the Shares under applicable federal law, and any other expenses actually incurred and, directly or indirectly, related to the continuous offering of the Shares, including, but not limited to, expenses such as:

registration fees, filing fees and taxes;

costs of preparing, printing (including typesetting), amending, supplementing, mailing and distributing the Registration Statement, the exhibits thereto and this Prospectus;

the costs of qualifying, printing (including typesetting), amending, supplementing, mailing and distributing sales materials used in connection with the offering and issuance of the Shares;

travel, telegraph, telephone and other expenses in connection with the offering and issuance of the Shares;
and

accounting, auditing and legal fees (including disbursements related thereto) incurred in connection
therewith.

The Managing Owner will not allocate to the Fund the indirect expenses of the Managing Owner.

Brokerage Commissions and Fees

The Fund pays to the Commodity Broker all brokerage commissions, including applicable exchange fees, NFA fees, give-up fees, pit brokerage fees and other transaction related fees and expenses charged in connection with its trading activities. On average, total charges paid to the Commodity Broker are expected to be less than \$7.00 per round-turn trade, although the Commodity Broker's brokerage commissions and trading fees are determined on a contract-by-contract, or round-turn basis. A round-turn trade is a completed transaction involving both a purchase and a liquidating sale, or a sale followed by a covering purchase. The Managing Owner estimates the brokerage commissions and fees will be approximately 0.04% of the NAV of the Fund in any year, although the actual amount of brokerage commissions and fees in any year or any part of any year may be greater.

Routine Operational, Administrative and Other Ordinary Expenses

The Managing Owner pays all routine operational, administrative and other ordinary expenses of the Fund, generally, as determined by the Managing Owner. These expenses include, but are not limited to, computer service expenses, the fees and expenses of the Trustee, license and service fees paid to DBSI as Marketing Agent and Index Sponsor, legal and accounting fees and expenses, tax preparation expenses, filing fees, and printing, mailing and duplication costs. The Fund does not reimburse the Managing Owner for the routine operational, administrative and other ordinary expenses of the Fund. The Managing Owner aggregates the routine operational, administrative and other ordinary expenses related to the Fund and other commodity and currency pools within the PowerShares DB fund suite, and allocates the costs associated to each Fund. The expenses may vary, but the Managing Owner retains the obligation to pay those expenses in lieu of the Fund. The Managing Owner expects that all of the routine operational, administrative and other ordinary expenses of the PowerShares DB fund suite will be approximately 0.36% per annum of the average of the funds' NAV.

Non-Recurring Fees and Expenses

The Fund pays all non-recurring and unusual fees and expenses (referred to as extraordinary fees and expenses in the Trust Agreement) of the Fund generally, if any, as determined by the Managing Owner. Non-recurring and unusual fees and expenses are fees and expenses which are non-recurring and unusual in nature, such as legal claims and liabilities and litigation costs or indemnification or other unanticipated expenses. Non-recurring and unusual fees and expenses will also include material expenses which are not currently anticipated obligations of the Fund or of managed futures funds in general. Routine operational, administrative and other ordinary expenses will not be deemed non-recurring expenses.

Management Fee and Expenses to be Paid First out of Treasury Income, Money Market Income and/or T-Bill ETF Income

The Management Fee and the brokerage commissions and fees of the Fund are paid first out of Treasury Income from the Fund's holdings of United States Treasury Securities, Money Market Income from the Fund's holdings of money market mutual funds (affiliated or otherwise) and T-Bill ETF

Income from the Fund's holdings of T-Bill ETFs (affiliated or otherwise), as applicable, on deposit with the Commodity Broker as margin, the Custodian, or otherwise. If the sum of the Treasury Income, the Money Market Income and the T-Bill ETF Income, as applicable, is not sufficient to cover the fees and expenses of the Fund during any period, the excess of such fees and expenses over such Treasury Income, Money Market Income and T-Bill ETF Income, as applicable, will be paid out of income from futures trading, if any, or from sales of the Fund's United States Treasury Securities and/or holdings in money market mutual funds and/or holdings in T-Bill ETFs. The Fund invests in futures contracts in an attempt to track its Index. The Fund holds Treasury Securities, money market mutual funds and T-Bill ETFs for margin and/or cash management purposes only.

Selling Commission

Retail investors may purchase and sell Shares through traditional brokerage accounts. Investors are expected to be charged a commission by their brokers in connection with purchases of Shares that will vary from investor to investor. Investors are encouraged to review the terms of their brokerage accounts for applicable charges.

The offering of baskets is being made in compliance with Conduct Rule 2310 of the Financial Industry Regulatory Authority (FINRA). The excess, if any, of the price at which an Authorized Participant sells a Share over the price paid by such Authorized Participant in connection with the creation of such Share in a Basket may be deemed to be underwriting compensation by the FINRA Corporate Financing Department.

WHO MAY SUBSCRIBE

Baskets may be created or redeemed only by Authorized Participants. Each Authorized Participant must (1) be a registered broker-dealer or other securities market participant such as a bank or other financial institution which is not required to register as a broker-dealer to engage in securities transactions, (2) be a participant in DTC, and (3) have entered into a Participant Agreement with the Fund and the Managing Owner. The Participant Agreement sets forth the procedures for the creation and redemption of Baskets and for the delivery of cash required for such creations or redemptions. A list of the current Authorized Participants can be obtained from the Administrator. See [Creation and Redemption of Shares](#) for more details.

CREATION AND REDEMPTION OF SHARES

The Fund creates and redeems Shares from time to time, but only in one or more Baskets. A Basket is a block of 200,000 Shares. Baskets may be created or redeemed only by Authorized Participants. Except when aggregated in Baskets, the Shares are not redeemable securities. Authorized Participants pay a transaction fee of \$500 in connection with each order to create or redeem a Basket. Authorized Participants may sell the Shares included in the Baskets they purchase from the Fund to other investors.

Authorized Participants are the only persons that may place orders to create and redeem Baskets. Authorized Participants must be (1) registered broker-dealers or other securities market participants, such as banks and other financial institutions, which are not required to register as broker-dealers to engage in securities transactions, and (2) participants in DTC. To become an Authorized Participant, a person must enter into a Participant Agreement with the Fund and the Managing Owner. The Participant Agreement sets forth the procedures for the creation and redemption of Baskets and for the payment of cash required for such creations and redemptions. The Managing Owner may delegate its duties and obligations under the Participant Agreement to Invesco Distributors, the Administrator or the Transfer Agent without consent from any Shareholder or Authorized Participant. The Participant Agreement and the related procedures attached thereto may be amended by the Managing Owner without the consent of any Shareholder or Authorized Participant. To compensate the Transfer Agent for services in processing the creation and redemption of Baskets, an Authorized Participant is required to pay a transaction fee of \$500 per order to create or redeem Baskets. Authorized Participants who purchase Baskets from the Fund receive no fees, commissions or other form of compensation or inducement of any kind from either the Managing Owner or the Fund, and no such person has any obligation or responsibility to the Managing Owner or the Fund to effect any sale or resale of Shares.

Authorized Participants are cautioned that some of their activities may result in their being deemed participants in a distribution in a manner which would render them statutory underwriters and subject them to the prospectus delivery and liability provisions of the Securities Act of 1933 (the Securities Act), as described in Plan of Distribution.

Authorized Participants may act for their own accounts or as agents for broker-dealers, custodians and other securities market participants that wish to create or redeem Baskets.

Persons interested in purchasing Baskets should contact the Managing Owner or the Administrator to obtain the contact information for the Authorized Participants. Shareholders who are not Authorized Participants will only be able to redeem their Shares through an Authorized Participant.

Under the Participant Agreements, the Managing Owner has agreed to indemnify the Authorized Participants and certain parties related to the Authorized Participants against certain liabilities as a result of:

any breach by the Managing Owner, the Trust, or any of their respective agents or employees, of any provision of the Participant Agreement, including any representations, warranties and covenants by any of them or the Trust therein or in the Officers Certificate (as defined in the Participant Agreement);

any failure on the part of the Managing Owner to perform any obligation of the Managing Owner set forth in the Participant Agreement;

any failure by the Managing Owner to comply with applicable laws and regulations in connection with the Participant Agreement, except that the Managing Owner will not be required to indemnify a Managing

Owner Indemnified Party (as defined in the Participant Agreement) to the extent that such failure was caused by the reasonable reliance on instructions given or representations made by one or more Managing Owner Indemnified Parties or the negligence or willful malfeasance of any Managing Owner Indemnified Party;

any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement of the Trust as originally filed with the SEC, or in any amendment thereof, or in any prospectus, or in any amendment thereof or supplement thereto, or arising out of or based upon the omission or alleged omission to state therein a material fact required to be stated therein

or necessary to make the statements therein not misleading, except those statements in the Registration Statement or the Prospectus based on information furnished in writing by or on behalf of the Authorized Participant expressly for use in the Registration Statement or the Prospectus.

As provided in the Participant Agreements, in the absence of gross negligence, bad faith or willful misconduct, neither the Managing Owner nor an Authorized Participant will be liable to each other or to any other person, including any party claiming by, through or on behalf of the Authorized Participant, for any losses, liabilities, damages, costs or expenses arising out of any mistake or error in data or other information provided to any of them by each other or any other person or out of any interruption or delay in the electronic means of communications used by them.

The following description of the procedures for the creation and redemption of Baskets is only a summary and an investor should refer to the relevant provisions of the Trust Agreement and the form of Participant Agreement for more detail. The Trust Agreement and the form of Participant Agreement are filed as exhibits to the registration statement of which this Prospectus is a part.

Creation Procedures

On any business day, an Authorized Participant may place an order with the Transfer Agent to create one or more Baskets. For purposes of processing both creation and redemption orders, a business day means any day other than a day when banks in New York City are required or permitted to be closed. Creation orders must be placed by 10:00 a.m., Eastern time. The day on which the Transfer Agent receives a valid creation order is the creation order date. The day on which a creation order is settled is the creation order settlement date. As provided below, the creation order settlement date may occur up to two business days after the creation order date. By placing a creation order, and prior to delivery of such Baskets, an Authorized Participant's DTC account is charged the non-refundable transaction fee due for the creation order.

Baskets are issued on the creation order settlement date as of 2:45 p.m., Eastern time, on the business day immediately following the creation order date at the applicable NAV per Share as of the closing time of the NYSE Arca or the last to close of

the exchanges on which its futures contracts are traded, whichever is later, on the creation order date, but only if the required payment has been timely received. Upon submission of a creation order, the Authorized Participant may request the Managing Owner to agree to a creation order settlement date up to two business days after the creation order date. By placing a creation order, and prior to receipt of the Baskets, an Authorized Participant's DTC account is charged the non-refundable transaction fee due for the creation order.

Determination of Required Payment

The total payment required to create each Basket is the NAV of 200,000 Shares as of the closing time of the NYSE Arca or the last to close of the exchanges on which the Fund's futures contracts are traded, whichever is later, on the creation order date.

Because orders to purchase Baskets must be placed by 10:00 a.m., Eastern time, but the total payment required to create a Basket will not be determined until 4:00 p.m., Eastern time, on the date the creation order is received, Authorized Participants will not know the total amount of the payment required to create a Basket at the time they submit the creation order for the Basket. The Fund's NAV and the total amount of the payment required to create a Basket could rise or fall substantially between the time a creation order is submitted and the time the amount of the purchase price in respect thereof is determined.

Rejection of Creation Orders

The Managing Owner or the Transfer Agent may reject a creation order if:

The Managing Owner or the Transfer Agent determines that the creation order is not in proper form;

The Managing Owner believes that the acceptance or receipt of the creation order would have adverse tax consequences to the Fund or its Shareholders; or

Circumstances outside the control of the Managing Owner or the Transfer Agent make it, for all practical purposes, not feasible to process creations of Baskets.

The Managing Owner will not be liable for the rejection of any creation order.

The Fund also may not be able to create new Baskets at any time if there is an insufficient amount of Shares registered in this offering or if another legal or operational impediment to creating new Baskets arises.

Redemption Procedures

The procedures by which an Authorized Participant can redeem one or more Baskets mirror the procedures for the creation of Baskets. On any business day, an Authorized Participant may place an order with the Transfer Agent to redeem one or more Baskets. Redemption orders must be placed by 10:00 a.m., Eastern time. The day on which the Managing Owner receives a valid redemption order is the redemption order date. The day on which a redemption order is settled is the redemption order settlement date. As provided below, the redemption order settlement date may occur up to two business days after the redemption order date. The redemption procedures allow Authorized Participants to redeem Baskets. Individual Shareholders may not redeem directly from the Fund. Instead, individual Shareholders may only redeem Shares in an amount equal to one or more whole Baskets and only through an Authorized Participant.

By placing a redemption order, an Authorized Participant agrees to deliver the Baskets to be redeemed through DTC's book-entry system to the Fund not later than the redemption order settlement date as of 2:45 p.m., Eastern time, on the business day immediately following the redemption order date. Upon submission of a redemption order, the Authorized Participant may request the Managing Owner to agree to a redemption order settlement date up to two business days after the redemption order date. By placing a redemption order, and prior to receipt of the redemption proceeds, an Authorized Participant's DTC account is charged the non-refundable transaction fee due for the redemption order.

Determination of Redemption Proceeds

The redemption proceeds from the Fund consist of the cash redemption amount. The cash redemption amount is equal to the NAV of the number of Basket(s) requested in the Authorized Participant's redemption order as of the closing time of the NYSE Arca or the last to close of the exchanges on which the Fund's futures contracts are traded, whichever is later, on the redemption order date. The Managing Owner will distribute the cash redemption amount at

2:45 p.m., Eastern time, on the redemption order settlement date through DTC to the account of the Authorized Participant as recorded on DTC's book-entry system.

Delivery of Redemption Proceeds

The redemption proceeds due from the Fund are delivered to the Authorized Participant at 2:45 p.m., Eastern time, on the redemption order settlement date if, by such time, the Fund's DTC account has been credited with the Baskets to be redeemed. If the Fund's DTC account has not been credited with all of the Baskets to be redeemed by such time, the redemption distribution is delivered to the extent of whole Baskets received. Any remainder of the redemption distribution is delivered on the next business day to the extent of remaining whole

Baskets received if the Transfer Agent receives the fee applicable to the extension of the redemption distribution date which the Managing Owner may, from time-to-time, determine and the remaining Baskets to be redeemed are credited to the Fund's DTC account by 2:45 p.m., Eastern time, on such next business day. Any further outstanding amount of the redemption order will be cancelled. The Managing Owner is also authorized to deliver the redemption distribution notwithstanding that the Baskets to be redeemed are not credited to the Fund's DTC account by 2:45 p.m., Eastern time, on the redemption order settlement date if the Authorized Participant has collateralized its obligation to deliver the Baskets through DTC's book-entry system on such terms as the Managing Owner may determine from time-to-time.

Suspension, Postponement or Rejection of Redemption Orders

The Managing Owner may, in its discretion, suspend the right of redemption, or postpone the redemption order settlement date, for (1) any period during which an emergency exists as a result of which the redemption distribution is not reasonably practicable, or (2) such other period as the Managing Owner determines to be necessary for the protection of the Shareholders. The Managing Owner will not be liable to any person or in any way for any loss or damages that may result from any such suspension or postponement.

The Managing Owner or the Transfer Agent may reject a redemption order if the order is not in proper form as described in the Participant

Agreement. The Managing Owner or the Transfer Agent will reject a redemption order if the acceptance or receipt of the order, in the opinion of its counsel, might be unlawful.

Creation and Redemption Transaction Fee

To compensate the Transfer Agent for services in processing the creation and redemption of Baskets, an Authorized Participant is required to pay a transaction fee of \$500 per order to create or redeem Baskets. An order may include multiple Baskets. The transaction fee may be reduced, increased or otherwise changed by the Managing Owner. The Managing Owner will notify DTC of any agreement to change the transaction fee and will not implement any increase in the fee for the redemption of Baskets until 30 days after the date of the notice.

Monthly account statements conforming to CFTC and NFA requirements are posted on the Managing Owner's website at <http://www.powershares.com>. Additional reports may be posted on the Managing Owner's website in the discretion of the Managing Owner or as required by regulatory authorities.

THE COMMODITY BROKER

A variety of executing brokers execute futures transactions on behalf of the Fund. Such executing brokers give-up all such transactions to the Commodity Broker, Morgan Stanley & Co. LLC. In its capacity as clearing broker, the Commodity Broker may execute or receive transactions executed by others, and clears all of the Fund's futures transactions and performs certain administrative and custodial services for the Fund. Morgan Stanley & Co. LLC is also registered with the CFTC as a futures commission merchant and is a member of the NFA in such capacity.

On June 1, 2011, Morgan Stanley & Co. Incorporated converted from a Delaware corporation to a Delaware limited liability company. As a result of that conversion, Morgan Stanley & Co. Incorporated is now named Morgan Stanley & Co. LLC (MS&Co.).

MS&Co. is a wholly-owned, indirect subsidiary of Morgan Stanley, a Delaware holding company. Morgan Stanley files periodic reports with the SEC as required by the Securities Exchange Act of 1934 (the Exchange Act), which include current

descriptions of material litigation and material proceedings and investigations, if any, by governmental and/or regulatory agencies or self-regulatory organizations concerning Morgan Stanley and its subsidiaries, including MS&Co. As a consolidated subsidiary of Morgan Stanley, MS&Co. does not file its own periodic reports with the SEC that contain descriptions of material litigation, proceedings and investigations. As a result, we refer you to the Legal Proceedings section of Morgan Stanley's SEC 10-K filings for 2017, 2016, 2015, 2014, and 2013.

In addition to the matters described in those filings, in the normal course of business, each of Morgan Stanley and MS&Co. has been named, from time to time, as a defendant in various legal actions, including arbitrations, class actions, and other litigation, arising in connection with its activities as a global diversified financial services institution.

Certain of the legal actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. Each of Morgan Stanley and MS&Co. is also involved, from time to time, in investigations and proceedings by governmental and/or regulatory agencies or self-regulatory organizations, certain of which may result in adverse judgments, fines or penalties. The number of these investigations and proceedings has

increased in recent years with regard to many financial services institutions, including Morgan Stanley and MS&Co.

MS&Co. is a Delaware limited liability company with its main business office located at 1585 Broadway, New York, New York 10036. Among other registrations and memberships, MS&Co. is registered as a futures commission merchant and is a member of the NFA.

Regulatory and Governmental Matters

In the normal course of business, Morgan Stanley receives subpoenas and requests for information from certain federal and state regulatory and governmental entities, including among others various members of the RMBS Working Group of the Financial Fraud Enforcement Task Force, such as the United States Department of Justice, Civil Division and several state Attorney General s Offices, concerning the origination, financing, purchase, securitization and servicing of subprime and non-subprime residential mortgages and related matters such as residential mortgage backed securities (RMBS), collateralized debt obligations

(CDOs), structured investment vehicles (SIVs) and credit default swaps backed by or referencing mortgage pass-through certificates. These matters, some of which are in advanced stages, include, but are not limited to, investigations related to MS&Co.'s due diligence on the loans that it purchased for securitization, MS&Co.'s communications with ratings agencies, MS&Co.'s disclosures to investors, and MS&Co.'s handling of servicing and foreclosure related issues.

On February 25, 2015, MS&Co. reached an agreement in principle with the United States Department of Justice, Civil Division and the United States Attorney's Office for the Northern District of California, Civil Division (collectively, the Civil Division) to pay \$2.6 billion to resolve certain claims that the Civil Division indicated it intended to bring against MS&Co. That settlement was finalized on February 10, 2016.

On April 1, 2016, the California Attorney General's Office filed an action against MS&Co. in California state court styled *California v. Morgan Stanley, et al.*, on behalf of California investors, including the California Public Employees Retirement System and the California Teachers Retirement System. The complaint alleges that MS&Co. made misrepresentations and omissions regarding residential mortgage-backed securities and notes issued by the Cheyne SIV, and asserts violations of the California False Claims Act and other state laws and seeks treble damages, civil penalties, disgorgement, and injunctive relief. On September 30, 2016, the court granted MS&Co.'s demurrer, with leave to replead. On October 21, 2016, the California Attorney General filed an amended complaint. On January 25, 2017, the court denied MS&Co.'s demurrer with respect to the amended complaint.

In October 2014, the Illinois Attorney General's Office (ILAG) sent a letter to MS&Co. alleging that MS&Co. knowingly made misrepresentations related to RMBS purchased by certain pension funds affiliated with the State of Illinois and demanding that MS&Co. pay ILAG approximately \$88 million. MS&Co. and ILAG reached an agreement to resolve the matter on February 10, 2016.

On January 13, 2015, the New York Attorney General's Office (NYAG), which is also a member of the RMBS Working Group, indicated that it intends to file a lawsuit related to approximately 30 subprime securitizations sponsored by MS&Co.

NYAG indicated that the lawsuit would allege that MS&Co. misrepresented or omitted material information related to the due diligence, underwriting and valuation of the loans in the securitizations and the properties securing them and indicated that its lawsuit would be brought under the Martin Act. MS&Co. and NYAG reached an agreement to resolve the matter on February 10, 2016.

On July 23, 2014, the SEC approved a settlement by MS&Co. and certain affiliates to resolve an investigation related to certain subprime RMBS transactions sponsored and underwritten by those entities in 2007. Pursuant to the settlement, MS&Co. and certain affiliates were charged with violating Sections 17(a)(2) and 17(a)(3) of the Securities Act, agreed to pay disgorgement and penalties in an amount of \$275 million and neither admitted nor denied the SEC's findings.

On April 21, 2015, the Chicago Board Options Exchange, Incorporated (CBOE) and the CBOE Futures Exchange, LLC (CFE) filed statements of charges against MS&Co. in connection with trading by one of MS&Co.'s former traders of EEM options contracts that allegedly disrupted the final settlement price of the November 2012 VXEM futures. CBOE alleged that MS&Co. violated CBOE Rules 4.1, 4.2 and 4.7, Sections 9(a) and 10(b) of the Exchange Act, and Rule 10b-5 thereunder. CFE alleged that MS&Co. violated CFE Rules 608, 609 and 620. The matters were resolved on June 28, 2016, in which there were no findings of fraud, but MS&Co. was jointly and severally liable for a \$400,000 fine and \$152,664 in disgorgement.

On June 18, 2015, MS&Co. entered into a settlement with the SEC and paid a fine of \$500,000 as part of the MCDC Initiative to resolve allegations that MS&Co. failed to form a reasonable basis through adequate due diligence for

believing the truthfulness of the assertions by issuers and/or obligors regarding their compliance with previous continuing disclosure undertakings pursuant to Rule 15c2-12 in connection with offerings in which MS&Co. acted as senior or sole underwriter.

On August 6, 2015, MS&Co. consented to and became the subject of an order by the CFTC to resolve allegations that MS&Co. violated CFTC Regulation 22.9(a) by failing to hold sufficient U.S. Dollars in cleared swap segregated accounts in the United States to meet all U.S. Dollar obligations to cleared swaps customers. Specifically, the CFTC found that while MS&Co. at all times held sufficient

funds in segregation to cover its obligations to its customers, on certain days during 2013 and 2014, it held currencies, such as euros, instead of U.S. dollars, to meet its U.S. dollar obligations. In addition, the CFTC found that MS&Co. violated Regulation 166.3 by failing to have in place adequate procedures to ensure that it complied with Regulation 22.9(a). Without admitting or denying the findings or conclusions and without adjudication of any issue of law or fact, MS&Co. accepted and consented to the entry of findings, the imposition of a cease and desist order, a civil monetary penalty of \$300,000, and undertakings related to public statements, cooperation, and payment of the monetary penalty.

On December 20, 2016, MS&Co. consented to and became the subject of an order by the SEC in connection with allegations that MS&Co. willfully violated Sections 15(c)(3) and 17(a)(1) of the Securities Exchange Act of 1934 and Rules 15c3-3(e), 17a-5(a), and 17a-5(d) thereunder, by inaccurately calculating its Reserve Account requirement under Rule 15c3-3 by including margin loans to an affiliate in its calculations, which resulted in making inaccurate records and submitting inaccurate reports to the SEC. Without admitting or denying the underlying allegations and without adjudication of any issue of law or fact, MS&Co. consented to a cease and desist order, a censure, and a civil monetary penalty of \$7,500,000.

On September 28, 2017, the CFTC issued an order filing and simultaneously settling charges against MS&Co. regarding violations of CFTC Rule 166.3 by failing to diligently supervise the reconciliation of exchange and clearing fees with the amounts it ultimately charged customers for certain transactions on multiple exchanges. The order and settlement required MS&Co. to pay a \$500,000 penalty and cease and desist from violating Rule 166.3.

On November 2, 2017, the CFTC issued an order filing and simultaneously settling charges against MS&Co. for non-compliance with applicable rules governing Part 17 Large Trader reports to the CFTC. The order requires MS&Co. to pay a \$350,000 penalty and cease and desist from further violations of the Commodity Exchange Act.

Civil Litigation

On July 15, 2010, China Development Industrial Bank (CDIB) filed a complaint against MS&Co., styled *China Development Industrial Bank v. Morgan*

Stanley & Co. Incorporated et al., which is pending in the Supreme Court of the State of New York, New York County (Supreme Court of NY). The complaint relates to a \$275 million credit default swap referencing the super senior portion of the STACK 2006-1 CDO. The complaint asserts claims for common law fraud, fraudulent inducement and fraudulent concealment and alleges that MS&Co. misrepresented the risks of the STACK 2006-1 CDO to CDIB, and that MS&Co. knew that the assets backing the CDO were of poor quality when it entered into the credit default swap with CDIB. The complaint seeks compensatory damages related to the approximately \$228 million that CDIB alleges it has already lost under the credit default swap, rescission of CDIB's obligation to pay an additional \$12 million, punitive damages, equitable relief, fees and costs. On February 28, 2011, the court denied MS&Co.'s motion to dismiss the complaint. Based on currently available information, MS&Co. believes it could incur a loss of up to approximately \$240 million plus pre- and post-judgment interest, fees and costs.

On October 15, 2010, the Federal Home Loan Bank of Chicago filed a complaint against MS&Co. and other defendants in the Circuit Court of the State of Illinois, styled *Federal Home Loan Bank of Chicago v. Bank of America Funding Corporation et al.* A corrected amended complaint was filed on April 8, 2011, which alleges that defendants made untrue statements and material omissions in the sale to the plaintiff of a number of mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans and asserts claims under Illinois law. The total amount of certificates allegedly sold to plaintiff by MS&Co. at issue in the action was approximately \$203 million. The complaint seeks, among other things, to rescind the plaintiff's purchase of such certificates. The defendants filed a motion to dismiss the corrected amended complaint on May 27, 2011, which was denied on September 19, 2012. On December 13, 2013, the court entered an order dismissing all claims related to one of the securitizations at issue. After that dismissal, the remaining amount of certificates allegedly issued by MS&Co. or sold

to the plaintiff by MS&Co. was approximately \$78 million. At September 25, 2017, the current unpaid balance of the mortgage pass-through certificates at issue in this action was approximately \$45 million, and the certificates had not yet incurred actual losses. Based on currently available information, MS&Co. believes it could incur a loss in this action up to the difference between the \$45 million unpaid balance of these

certificates (plus any losses incurred) and their fair market value at the time of a judgment against MS&Co., plus pre- and post-judgment interest, fees and costs. MS&Co. may be entitled to be indemnified for some of these losses and to an offset for interest received by the plaintiff prior to a judgment.

On April 20, 2011, the Federal Home Loan Bank of Boston filed a complaint against MS&Co. and other defendants in the Superior Court of the Commonwealth of Massachusetts styled *Federal Home Loan Bank of Boston v. Ally Financial, Inc. F/K/A GMAC LLC et al.* An amended complaint was filed on June 29, 2012 and alleges that the defendants made untrue statements and material omissions in the sale to plaintiff of certain mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly issued by MS&Co. or sold to the plaintiff by MS&Co. was approximately \$385 million. The amended complaint raises claims under the Massachusetts Uniform Securities Act, the Massachusetts Consumer Protection Act and common law and seeks, among other things, to rescind the plaintiff's purchase of such certificates. On May 26, 2011, the defendants removed the case to the United States District Court for the District of Massachusetts. The defendants' motions to dismiss the amended complaint were granted in part and denied in part on September 30, 2013. On November 25, 2013, July 16, 2014, and May 19, 2015, respectively, the plaintiff voluntarily dismissed its claims against MS&Co. with respect to three of the securitizations at issue. After these voluntary dismissals, the remaining amount of certificates allegedly issued by MS&Co. or sold to the plaintiff by MS&Co. was approximately \$332 million. On February 6, 2017, the action was remanded to the Superior Court of the Commonwealth of Massachusetts. At September 25, 2017, the current unpaid balance of the mortgage pass-through certificates at issue in this action was approximately \$47 million, and the certificates had not yet incurred actual losses. Based on currently available information, MS&Co. believes it could incur a loss in this action up to the difference between the \$47 million unpaid balance of these certificates (plus any losses incurred) and their fair market value at the time of a judgment against MS&Co., or upon sale, plus pre- and post-judgment interest, fees and costs. MS&Co. may be entitled to be indemnified for some of these losses and to an offset for interest received by the plaintiff prior to a judgment.

On May 3, 2013, plaintiffs in *Deutsche Zentral-Genossenschaftsbank AG et al. v. Morgan Stanley et al.* filed a complaint against MS&Co., certain affiliates, and other defendants in the Supreme Court of NY. The complaint alleges that the defendants made material misrepresentations and omissions in the sale to the plaintiffs of certain mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly sponsored, underwritten and/or sold by MS&Co. to the plaintiff in this action was approximately \$644 million. The complaint alleges causes of action against MS&Co. for common law fraud, fraudulent concealment, aiding and abetting fraud, negligent misrepresentation, and rescission and seeks, among other things, compensatory and punitive damages. On June 10, 2014, the court granted in part and denied in part MS&Co.'s motion to dismiss the complaint. On June 20, 2017, the Appellate Division, First Department, affirmed the lower court's June 10, 2014 order. On July 28, 2017, MS&Co. filed a motion for leave to appeal that decision to the New York Court of Appeals. On October 3, 2017, the Appellate Division, First Department denied MS&Co.'s motion for leave to appeal. At September 25, 2017, the current unpaid balance of the mortgage pass-through certificates at issue in this action was approximately \$232 million, and the certificates had incurred actual losses of approximately \$87 million. Based on currently available information, MS&Co. believes it could incur a loss in this action up to the difference between the \$232 million unpaid balance of these certificates (plus any losses incurred) and their fair market value at the time of a judgment against MS&Co., or upon sale, plus pre- and post-judgment interest, fees and costs. MS&Co. may be entitled to be indemnified for some of these losses.

On May 17, 2013, a plaintiff in *IKB International S.A. in Liquidation, et al. v. Morgan Stanley, et al.* filed a complaint against MS&Co. and certain affiliates in the Supreme Court of NY. The complaint alleges that the defendants made material misrepresentations and omissions in the sale to the plaintiff of certain mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly sponsored, underwritten and/or sold by MS&Co. to the plaintiff was approximately \$132 million. The complaint alleges causes of action against MS&Co. for common law fraud, fraudulent concealment, aiding and abetting fraud,

and negligent misrepresentation, and seeks, among other things, compensatory and punitive damages. On October 29,

2014, the court granted in part and denied in part MS&Co.'s motion to dismiss. All claims regarding four certificates were dismissed. After these dismissals, the remaining amount of certificates allegedly issued by MS&Co. or sold to the plaintiff by MS&Co. was approximately \$116 million. On August 26, 2015, MS&Co. perfected its appeal from the court's October 29, 2014 decision. On August 11, 2016, the Appellate Division, First Department affirmed the trial court's decision denying in part MS&Co.'s motion to dismiss the complaint. At September 25, 2017, the current unpaid balance of the mortgage pass-through certificates at issue in this action was approximately \$25 million, and the certificates had incurred actual losses of \$58 million. Based on currently available information, MS&Co. believes it could incur a loss in this action up to the difference between the \$25 million unpaid balance of these certificates (plus any losses incurred) and their fair market value at the time of a judgment against MS&Co., or upon sale, plus pre- and post-judgment interest, fees and costs. MS&Co. may be entitled to be indemnified for some of these losses and to an offset for interest received by the plaintiff prior to a judgment.

Settled Civil Litigation

On December 23, 2009, the Federal Home Loan Bank of Seattle filed a complaint against MS&Co. and another defendant in the Superior Court of the State of Washington, styled *Federal Home Loan Bank of Seattle v. Morgan Stanley & Co. Inc., et al.* The amended complaint, filed on September 28, 2010, alleges that defendants made untrue statements and material omissions in the sale to the plaintiff of certain mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly sold to the plaintiff by MS&Co. was approximately \$233 million. The complaint raises claims under the Washington State Securities Act and seeks, among other things, to rescind the plaintiff's purchase of such certificates. On January 23, 2017, the parties reached an agreement to settle the litigation.

On March 15, 2010, the Federal Home Loan Bank of San Francisco filed a complaint against MS&Co. and other defendants in the Superior Court of the State of California styled *Federal Home Loan Bank of San Francisco v. Deutsche Bank Securities Inc. et al.* An amended complaint, filed on June 10, 2010, alleges that defendants made untrue statements and material omissions in connection with the sale to plaintiff of certain mortgage pass-through certificates

backed by securitization trusts containing residential mortgage loans. The amount of certificates allegedly sold to plaintiff by MS&Co. was approximately \$276 million. The complaint raises claims under both the federal securities laws and California law and seeks, among other things, to rescind the plaintiff's purchase of such certificates. On December 21, 2016, the parties reached an agreement to settle the litigation.

On August 25, 2008, MS&Co. and two ratings agencies were named as defendants in a purported class action related to securities issued by a structured investment vehicle called Cheyne Finance PLC and Cheyne Finance LLC (together, the Cheyne SIV). The case was styled *Abu Dhabi Commercial Bank, et al. v. Morgan Stanley & Co. Inc., et al.* The complaint alleged, among other things, that the ratings assigned to the securities issued by the Cheyne SIV were false and misleading, including because the ratings did not accurately reflect the risks associated with the subprime residential mortgage backed securities held by the Cheyne SIV. The plaintiffs asserted allegations of aiding and abetting fraud and negligent misrepresentation relating to approximately \$852 million of securities issued by the Cheyne SIV. On April 24, 2013, the parties reached an agreement to settle the case, and on April 26, 2013, the court dismissed the action with prejudice.

On March 15, 2010, the Federal Home Loan Bank of San Francisco filed a complaint against MS&Co. and other defendants in the Superior Court of the State of California styled *Federal Home Loan Bank of San Francisco v. Credit Suisse Securities (USA) LLC, et al.* An amended complaint filed on June 10, 2010 alleged that the defendants made untrue statements and material omissions in connection with the sale to the plaintiff of a number of mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The amount of certificates allegedly sold to the plaintiff by MS&Co. was approximately \$704 million. The complaint raised claims

under both the federal securities laws and California law and sought, among other things, to rescind the plaintiff's purchase of such certificates. On January 26, 2015, as a result of a settlement with certain other defendants, the plaintiff requested and the court subsequently entered a dismissal with prejudice of certain of the plaintiff's claims, including all remaining claims against MS&Co.

On July 9, 2010 and February 11, 2011, Cambridge Place Investment Management Inc. filed two separate complaints against MS&Co. and/or its affiliates and other defendants in the Superior Court of the Commonwealth of Massachusetts, both styled *Cambridge Place Investment Management Inc. v. Morgan Stanley & Co., Inc., et al.* The complaints asserted claims on behalf of certain clients of the plaintiff's affiliates and allege that the defendants made untrue statements and material omissions in the sale of a number of mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly issued by MS&Co. and/or its affiliates or sold to the plaintiff's affiliates' clients by MS&Co. and/or its affiliates in the two matters was approximately \$263 million. On February 11, 2014, the parties entered into an agreement to settle the litigation. On February 20, 2014, the court dismissed the action.

On October 25, 2010, MS&Co., certain affiliates and Pinnacle Performance Limited, a special purpose vehicle (SPV), were named as defendants in a purported class action in the United States District Court for the Southern District of New York (SDNY), styled *Ge Dandong, et al. v. Pinnacle Performance Ltd., et al.* On January 31, 2014, the plaintiffs in the action, which related to securities issued by the SPV in Singapore, filed a second amended complaint, which asserted common law claims of fraud, aiding and abetting fraud, fraudulent inducement, aiding and abetting fraudulent inducement, and breach of the implied covenant of good faith and fair dealing. On July 17, 2014, the parties reached an agreement to settle the litigation, which received final court approval on July 2, 2015.

On July 5, 2011, Allstate Insurance Company and certain of its affiliated entities filed a complaint against MS&Co. in the Supreme Court of NY, styled *Allstate Insurance Company, et al. v. Morgan Stanley, et al.* An amended complaint was filed on September 9, 2011, and alleges that the defendants made untrue statements and material omissions in the sale to the plaintiffs of certain mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly issued and/or sold to the plaintiffs by MS&Co. was approximately \$104 million. The complaint raised common law claims of fraud, fraudulent inducement, aiding and abetting fraud, and negligent misrepresentation and seeks, among other things, compensatory and/or recessionary damages associated with the plaintiffs

purchases of such certificates. On January 16, 2015, the parties reached an agreement to settle the litigation.

On July 18, 2011, the Western and Southern Life Insurance Company and certain affiliated companies filed a complaint against MS&Co. and other defendants in the Court of Common Pleas in Ohio, styled *Western and Southern Life Insurance Company, et al. v. Morgan Stanley Mortgage Capital Inc., et al.* An amended complaint was filed on April 2, 2012 and alleges that the defendants made untrue statements and material omissions in the sale to the plaintiffs of certain mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The amount of the certificates allegedly sold to plaintiffs by MS&Co. was approximately \$153 million. On June 8, 2015, the parties reached an agreement to settle the litigation.

On September 2, 2011, the Federal Housing Finance Agency (FHFA), as conservator for Fannie Mae and Freddie Mac, filed 17 complaints against numerous financial services companies, including MS&Co. and certain affiliates. A complaint against MS&Co. and certain affiliates and other defendants was filed in the Supreme Court of NY, styled *Federal Housing Finance Agency, as Conservator v. Morgan Stanley et al.* The complaint alleges that the defendants made untrue statements and material omissions in connection with the sale to Fannie Mae and Freddie Mac of residential mortgage pass-through certificates with an original unpaid balance of approximately \$11 billion. The complaint raised claims under federal and state securities laws and common law and seeks, among other things, rescission and compensatory and punitive damages. On February 7, 2014, the parties entered into an agreement to settle the litigation. On February 20, 2014, the court dismissed the action.

On April 25, 2012, Metropolitan Life Insurance Company and certain affiliates filed a complaint against MS&Co. and certain affiliates in the Supreme Court of NY, styled *Metropolitan Life Insurance Company, et al. v. Morgan Stanley, et al.* An amended complaint was filed on June 29, 2012, and alleges that the defendants made untrue statements and

material omissions in the sale to the plaintiffs of certain mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly sponsored, underwritten, and/or sold by MS&Co. was approximately \$758 million. The amended

complaint raised common law claims of fraud, fraudulent inducement, and aiding and abetting fraud and seeks, among other things, rescission, compensatory, and/or rescissory damages, as well as punitive damages, associated with the plaintiffs' purchases of such certificates. On April 11, 2014, the parties entered into a settlement agreement.

On April 25, 2012, The Prudential Insurance Company of America and certain affiliates filed a complaint against MS&Co. and certain affiliates in the Superior Court of the State of New Jersey, styled *The Prudential Insurance Company of America, et al. v. Morgan Stanley, et al.* On October 16, 2012, the plaintiffs filed an amended complaint. The amended complaint alleged that the defendants made untrue statements and material omissions in connection with the sale to the plaintiffs of certain mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly sponsored, underwritten and/or sold by MS&Co. was approximately \$1.073 billion. The amended complaint raises claims under the New Jersey Uniform Securities Law, as well as common law claims of negligent misrepresentation, fraud, fraudulent inducement, equitable fraud, aiding and abetting fraud, and violations of the New Jersey RICO statute, and includes a claim for treble damages. On January 8, 2016, the parties reached an agreement to settle the litigation.

In re Morgan Stanley Mortgage Pass-Through Certificates Litigation, which had been pending in the SDNY, was a putative class action involving allegations that, among other things, the registration statements and offering documents related to the offerings of certain mortgage pass-through certificates in 2006 and 2007 contained false and misleading information concerning the pools of residential loans that backed these securitizations. On December 18, 2014, the parties' agreement to settle the litigation received final court approval, and on December 19, 2014, the court entered an order dismissing the action.

On November 4, 2011, the FDIC, as receiver for Franklin Bank S.S.B, filed two complaints against MS&Co. in the District Court of the State of Texas. Each was styled *Federal Deposit Insurance Corporation as Receiver for Franklin Bank, S.S.B v. Morgan Stanley & Company LLC F/K/A Morgan Stanley & Co. Inc.* and alleged that MS&Co. made untrue statements and material omissions in connection with the sale to the plaintiff of mortgage

pass-through certificates backed by securitization trusts containing residential mortgage loans. The amount of certificates allegedly underwritten and sold to the plaintiff by MS&Co. in these cases was approximately \$67 million and \$35 million, respectively. On July 2, 2015, the parties reached an agreement to settle the litigation.

On February 14, 2013, Bank Hapoalim B.M. filed a complaint against MS&Co. and certain affiliates in the Supreme Court of NY, styled *Bank Hapoalim B.M. v. Morgan Stanley et al.* The complaint alleges that the defendants made material misrepresentations and omissions in the sale to the plaintiff of certain mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly sponsored, underwritten and/or sold by MS&Co. to the plaintiff was approximately \$141 million. On July 28, 2015, the parties reached an agreement to settle the litigation, and on August 12, 2015, the plaintiff filed a stipulation of discontinuance with prejudice.

On September 23, 2013, the plaintiff in *National Credit Union Administration Board v. Morgan Stanley & Co. Inc., et al.* filed a complaint against MS&Co. and certain affiliates in the SDNY. The complaint alleged that the defendants made untrue statements of material fact or omitted to state material facts in the sale to the plaintiff of certain mortgage pass-through certificates issued by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly sponsored, underwritten and/or sold by MS&Co. to the plaintiffs in the matter was approximately \$417 million. The complaint alleged violations of federal and various state securities laws and sought, among other things, rescissory and compensatory damages. On November 23, 2015, the parties reached an agreement to settle the matter.

On September 16, 2014, the Virginia Attorney General's Office filed a civil lawsuit, styled *Commonwealth of Virginia ex rel. Integra REC LLC v. Barclays Capital Inc., et al.*, against MS&Co. and several other defendants in the Circuit

Court of the City of Richmond related to RMBS. The lawsuit alleged that MS&Co. and the other defendants knowingly made misrepresentations and omissions related to the loans backing RMBS purchased by the Virginia Retirement System. The complaint asserts claims under the Virginia Fraud Against Taxpayers Act, as well as common law claims of actual and constructive fraud, and seeks, among other things,

treble damages and civil penalties. On January 6, 2016, the parties reached an agreement to settle the litigation. An order dismissing the action with prejudice was entered on January 28, 2016.

Additional or replacement Commodity Brokers may be appointed in respect of the Fund in the future.

CONFLICTS OF INTEREST

General

The Managing Owner has not established formal procedures to resolve all potential conflicts of interest. Consequently, investors may be dependent on the good faith of the respective parties subject to such conflicts to resolve them equitably. Although the Managing Owner attempts to monitor these conflicts, it is extremely difficult, if not impossible, for the Managing Owner to ensure that these conflicts do not, in fact, result in adverse consequences to the Fund and the Shareholders.

Prospective investors should be aware that the Managing Owner presently intends to assert that Shareholders have, by subscribing for Shares, consented to the following conflicts of interest in the event of any proceeding alleging that such conflicts violated any duty owed by the Managing Owner to investors.

The Managing Owner

The Managing Owner has a conflict of interest in allocating its own limited resources among different clients and potential future business ventures, to each of which it owes fiduciary duties. Certain of the professional staff of the Managing Owner may also service other affiliates of the Managing Owner and their respective clients. The Managing Owner may, from time-to-time, have conflicting demands in respect of its obligations to the Fund and to other commodity pools and accounts. It is possible that current or future pools that the Managing Owner operates or advises may generate larger fees than the fees that the Managing Owner receives from the Fund. In such a scenario, the Managing Owner's principals and employees may receive a greater portion of the compensation from those other mandates. Any such increase in fee income for the Managing Owner or compensation for its principals and employees would create an incentive to expend greater resources on those other

mandates than on operating and advising the Fund. The Managing Owner intends to devote, and to cause its professional staff to devote, sufficient time and resources to manage properly the business and affairs of the Fund consistent with its or their respective fiduciary duties to the Fund and others.

The Managing Owner has a conflict of interest in the selection of affiliated money market mutual funds and/or T-Bill ETFs in which the Fund may invest a portion of its cash for margin and/or cash management purposes. The Managing Owner may choose to invest a portion of the Fund's cash in an affiliated money market mutual fund and/or T-Bill ETF despite the fact that non-affiliated money market mutual funds or T-Bill ETFs may pay a higher dividend and/or make a bigger distribution of capital gains. In addition, the Managing Owner would have a conflict of interest if it sought to redeem the Fund's interest in an affiliated money market mutual fund or T-Bill ETF in circumstances where such a redemption would be unfavorable for the affiliated fund.

The Trust Agreement provides that in the case of a conflict of interest between the Managing Owner or any of its affiliates, on the one hand, and the Trust or any other person, on the other hand, the Managing Owner shall resolve such conflict of interest, take such action or provide such terms, considering in each case the relative interest of each

party (including its own interest) to such conflict, agreement, transaction or situation and the benefits and burdens relating to such interests, any customary or accepted industry practices, and any applicable generally accepted accounting practices or principles. In the absence of bad faith by the Managing Owner, the resolution, action or terms so made, taken or provided by the Managing Owner shall not constitute a breach of the Trust Agreement or any duty or obligation of the Managing Owner.

There is an absence of arm's length negotiation with respect to some of the terms of this offering, and there has been no independent due diligence conducted with respect to this offering.

Invesco Distributors

Because the Managing Owner and Invesco Distributors are affiliates, the Managing Owner has a disincentive to replace Invesco Distributors. Furthermore, the Managing Owner did not conduct an arm's length negotiation with respect to Invesco Distributors.

The Commodity Broker

The Commodity Broker may act from time-to-time as a commodity broker for other accounts with which it is affiliated or in which it or one of its affiliates has a financial interest. The compensation received by the Commodity Broker from such accounts may be more or less than the compensation received for brokerage services provided to the Fund. Customers of the Commodity Broker who maintain commodity trading accounts may pay commissions at negotiated rates which are greater or less than the rate paid by the Fund. In addition, various accounts traded through the Commodity Broker (and over which their personnel may have discretionary trading authority) may take positions in the futures markets opposite those of the Fund or may compete with the Fund for the same positions. The Commodity Broker may have a conflict of interest in its execution of trades for the Fund and for other customers. The Managing Owner will, however, not retain any commodity broker for the Fund which the Managing Owner has reason to believe would knowingly or deliberately favor any other customer over the Fund with respect to the execution of commodity trades.

The Commodity Broker will benefit from executing orders for other clients, whereas the Fund may be harmed to the extent that the Commodity Broker has fewer resources to allocate to the Fund's accounts due to the existence of such other clients.

Certain officers or employees of the Commodity Broker may be members of United States futures exchanges and/or serve on the governing bodies and standing committees of such exchanges, their clearing houses and/or various other industry organizations. In such capacities, these officers or employees may have a fiduciary duty to the exchanges, their clearing houses and/or such various other industry organizations which could compel such employees to act in the best interests of these entities, perhaps to the detriment of the Fund.

Deutsche Bank Securities Inc., which serves as the Fund's Index Sponsor and Marketing Agent, also serves as an executing commodity broker. Therefore, Deutsche Bank Securities Inc., in its capacity as an executing commodity broker, is also subject to a number of the same conflicts that are described above with respect to the Commodity Broker.

The Index Sponsor and the Marketing Agent

Deutsche Bank Securities Inc., in its capacity as the Fund's Index Sponsor and Marketing Agent, has a conflict of interest in allocating its own limited resources among different clients and potential future business ventures. Certain of the professional staff of Deutsche Bank Securities Inc. may also service other affiliates of Deutsche Bank Securities Inc. and their respective clients. Deutsche Bank Securities Inc., in its capacity as the Fund's Index Sponsor and Marketing Agent may, from time-to-time, have conflicting demands in respect of its obligations to the Fund and to other clients. It is possible that current or future pools that Deutsche Bank Securities Inc. may become involved with in its capacity as the Fund's Index Sponsor and Marketing Agent may generate larger fees, resulting in possibly increased payments to employees.

Proprietary Trading/Other Clients

The Managing Owner will not trade proprietary accounts.

The principals of the Managing Owner may trade for their own proprietary accounts (subject to certain internal Invesco Ltd. employee trading policies and procedures) at the same time that they are managing the account of the Fund. As a result, the principals' own trading activities may result in the principals taking positions in their personal trading accounts that are opposite to those held by the Fund, may trade ahead of the Fund, may compete with the Fund for positions in the marketplace and may give preferential treatment to these proprietary accounts. Records of the Managing Owner principals' personal trading accounts will not be available for inspection by Shareholders.

The Commodity Broker, its principals and its affiliates may trade in the commodity and foreign exchange markets for their proprietary accounts and for the accounts of their clients. In doing so, they may take positions opposite to those held by the Fund, may trade ahead of the Fund, may compete with the Fund for positions in the marketplace and may give preferential treatment to these proprietary and non-proprietary accounts. Such trading may create conflicts of interest in respect of their obligations to the Fund. Records of proprietary trading and trading on behalf of other clients will not be available for inspection by Shareholders.

DESCRIPTION OF THE SHARES; THE FUND; CERTAIN MATERIAL TERMS OF THE TRUST AGREEMENT

The following summary describes in brief the Shares and certain aspects of the operation of the Trust, the Fund and the respective responsibilities of the Trustee and the Managing Owner concerning the Trust and the material terms of the Trust Agreement. Prospective investors should carefully review the Trust Agreement filed as an exhibit to the registration statement of which this Prospectus is a part and consult with their own advisers concerning the implications of investing in a series of a Delaware statutory trust. Capitalized terms used in this section and not otherwise defined shall have such meanings assigned to them under the Trust Agreement.

Description of the Shares

The Fund issues common units of beneficial interest, or Shares, which represent units of fractional undivided beneficial interest in and ownership of the Fund. The Shares are listed on the NYSE Arca under the symbol DBA.

The Shares may be purchased from the Fund or redeemed on a continuous basis, but only by Authorized Participants and only in blocks of 200,000 Shares, or Baskets. Individual Shares may not be purchased from the Fund or redeemed. Shareholders that are not Authorized Participants may not purchase from the Fund or redeem Shares or Baskets.

Principal Office; Location of Records

The Trust was organized under the Delaware Statutory Trust Act in seven separate series as a Delaware statutory trust rather than as separate statutory trusts in order to achieve certain administrative efficiencies. As of the date of this Prospectus, the Trust consists of the following seven series PowerShares DB Energy Fund, PowerShares DB Oil Fund, PowerShares DB Precious Metals Fund, PowerShares DB Gold Fund, PowerShares DB Silver Fund, PowerShares DB Base Metals Fund and PowerShares DB Agriculture Fund. This Prospectus is for the Fund only. Information regarding the Fund (and any other additional series of the Trust, as applicable) is available at <http://www.powershares.com>. The Trust is managed by the Managing Owner, whose office is located at 3500 Lacey Road, Suite 700, Downers Grove, IL 60515, telephone: (800) 983-0903.

The books and records of the Fund are maintained as follows: all marketing materials are maintained at the offices of Invesco Distributors, Inc., 11 Greenway Plaza, Suite 1000, Houston, Texas 77046-1173, telephone number (800) 983-0903; Basket creation and redemption books and records, certain financial books and records (including Fund accounting records, ledgers with respect to assets, liabilities, capital, income and expenses, the registrar, transfer journals and related details) and trading and related documents received from futures commission merchants are maintained by The Bank of New York Mellon, 2 Hanson Place, Brooklyn, New York 11217, telephone number (718) 315-7500. All other books and records of the Fund (including minute books and other general corporate records, trading records and related reports and other items received from the Fund's Commodity Brokers) are maintained at the Fund's principal office, c/o Invesco PowerShares Capital Management LLC, 3500 Lacey Road, Suite 700, Downers Grove, IL 60515; telephone number (800) 983-0903.

The books and records of the Fund are available for inspection and copying (upon payment of reasonable reproduction costs) by Shareholders or their representatives for any purposes reasonably related to a Shareholder's interest as a beneficial owner of such Shares during regular business hours as provided in the Trust Agreement. The Managing Owner will maintain and preserve the books and records of the Fund for a period of not less than six years.

The Fund

Solely for the purposes of this sub-section, the term Fund or Funds refers to all the series of the Trust (including the DBA Fund). The term DBA Fund refers to the series that is offered pursuant to this Prospectus. The term Non-DBA

Funds refers to all the remaining series of the Trust, excluding the DBA Fund.

The Trust was formed and is operated in a manner such that the Funds are liable only for obligations attributable to the applicable Funds and the Shareholders are not subject to the losses or liabilities of any of the other Funds. For example, if any creditor or Shareholder in a Non-DBA Fund asserted against the DBA Fund a valid claim with respect to its indebtedness or Shares, the creditor or Shareholder of the Non-DBA Fund would only be able to recover money from that particular Non-DBA Fund and its assets. Accordingly, the debts,

liabilities, obligations and expenses (collectively, the Claims) incurred, contracted for or otherwise existing solely with respect to a particular Non-DBA Fund are enforceable only against the assets of that Non-DBA Fund and not against the DBA Fund or any other Non-DBA Fund or the Trust generally or any of their respective assets. The assets of any particular Fund include only those funds and other assets that are paid to, held by or distributed to such Fund, including, without limitation, funds delivered to the Trust for the purchase of Shares in such Fund (the Inter-Series Limitation on Liability). The Inter-Series Limitation on Liability is expressly provided for under the Delaware Statutory Trust Act, which provides that if certain conditions (as set forth in Section 3804(a)) are met, then the debts of any particular series will be enforceable only against the assets of such series and not against the assets of any other Fund or the Trust generally. The Inter-Series Limitation on Liability applies to all series of the Trust, including those that are not being offered through this Prospectus.

In furtherance of the Inter-Series Limitation on Liability, every party providing services to the Trust, any Fund or the Managing Owner on behalf of the Trust or any Fund has acknowledged and consented in writing to the Inter-Series Limitation on Liability with respect to such party's Claims.

No special custody arrangements are applicable to any Fund, and the existence of a trustee should not be taken as an indication of any additional level of management or supervision over any Fund. Under the Trust Agreement, the Managing Owner has exclusive management and control of all aspects of the business of the Fund.

The Trust Agreement gives Shareholders of the DBA Fund voting rights in respect of the business and affairs of the DBA Fund comparable to those typically extended to limited partners in publicly-offered futures funds.

The Trustee

Wilmington Trust Company, a Delaware trust company, is the sole Trustee of the Trust and the Fund. The Trustee's principal offices are located at Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890-0001. The Trustee is unaffiliated with the Managing Owner. The Trustee's duties and liabilities with respect to the offering of the Shares and the management of the Trust and the Fund are limited to its express obligations under the Trust Agreement.

The rights and duties of the Trustee, the Managing Owner and the Shareholders are governed by the provisions of the Delaware Statutory Trust Act and by the Trust Agreement.

The Trustee serves as the sole trustee of the Trust in the State of Delaware. The Trustee will accept service of legal process on the Trust and the Fund in the State of Delaware and will make certain filings under the Delaware Statutory Trust Act. The Trustee does not owe any other duties to the Trust, the Managing Owner or the Shareholders. The Trustee is permitted to resign upon at least sixty (60) days' notice to the Trust, *provided*, that any such resignation will not be effective until a successor Trustee is appointed by the Managing Owner. The Trust Agreement provides that the Trustee is compensated by the Fund and is indemnified by the Fund against any expenses it incurs relating to or arising out of the formation, operation or termination of the Fund or the execution, delivery and performance of any other agreements to which the Trust is a party or the action or inaction of the Trustee, except to the extent that such expenses result from the gross negligence or willful misconduct of the Trustee. The Managing Owner has the discretion to replace the Trustee.

The Trustee's liability is limited solely to the express obligations of the Trustee set forth in the Trust Agreement.

The Trustee has no duty or liability to supervise or monitor the performance of the Managing Owner, nor does the Trustee have any liability for the acts or omissions of the Managing Owner in accordance with the Managing Owner's instructions. The Shareholders have no voice in the day-to-day management of the business and operations of the Fund and the Trust, other than certain limited voting rights as set forth in the Trust Agreement. In the course of its

management of the business and affairs of the Fund and the Trust, the Managing Owner may, in its sole and absolute discretion, appoint an affiliate or affiliates of the Managing Owner as additional managing owners (except where the Managing Owner has been notified by the Shareholders that it is to be replaced as the managing owner) and retain such persons, including affiliates of the Managing Owner, as it deems necessary for the efficient operation of the Fund or the Trust, as appropriate.

The Trustee itself is not registered in any capacity with the CFTC.

The Managing Owner

Background and Principals

Invesco PowerShares Capital Management LLC, a Delaware limited liability company, is the Managing Owner of the Trust and the Fund. The Managing Owner was formed on February 7, 2003 for the purpose of serving as the managing owner of investment vehicles such as ETFs. The Managing Owner has managed non-commodity futures based ETFs since 2003 and a commodity futures based ETF since 2014. The Managing Owner serves as both commodity pool operator and commodity trading advisor of the Trust and the Fund. The Managing Owner has been registered with the CFTC as a commodity pool operator since January 1, 2013, a commodity trading advisor since October 1, 2014 and has been a member of the NFA since January 1, 2013. It has been an NFA-approved swap firm since September 8, 2015. Its principal place of business is 3500 Lacey Road, Downers Grove, Illinois 60515, telephone number (800) 983-0903. The Managing Owner is an affiliate of Invesco Ltd. *The registration of the Managing Owner with the CFTC and its membership in the NFA must not be taken as an indication that either the CFTC or the NFA has recommended or approved the Managing Owner, the Trust or the Fund.*

In its capacity as a commodity pool operator, the Managing Owner is an organization which operates or solicits funds for commodity pools; that is, an enterprise in which funds contributed by a number of persons are combined for the purpose of trading futures contracts. In its capacity as a commodity trading advisor, the Managing Owner is an organization which, for compensation or profit, advises others as to the value of or the advisability of buying or selling futures contracts.

The Managing Owner has served as the managing owner, commodity pool operator, and commodity trading advisor of the Fund since February 23, 2015, which is the date upon which the Managing Owner assumed those responsibilities for the Fund from the Predecessor Managing Owner. Please see the chart on page 31 for information regarding the Fund's past performance.

Principals

The following principals serve in the below capacities on behalf of the Managing Owner:

Name	Capacity
Daniel Draper	Chief Executive Officer, Board of Managers
Peter Hubbard	Vice President and Director of Portfolio Management
David Warren	Chief Administrative Officer, Board of Managers
Annette Lege	Principal
Melanie Zimdars	Chief Compliance Officer
Steven Hill	Principal Financial and Accounting Officer, Investment Pools
John Zerr	Board of Managers
Brian Hartigan	Global Head of ETF Investments

Invesco North American Holdings Inc. is also a principal of the Managing Owner.

The Managing Owner is managed by a Board of Managers. The Board of Managers is composed of Messrs. Draper, Warren and Zerr.

The Managing Owner has designated Mr. Hubbard as the trading principal of the Fund.

Daniel Draper (49) has been Chief Executive Officer of the Managing Owner since March 24, 2016. In this role, he has general oversight responsibilities for all of the Managing Owner's business. Mr. Draper has been a Member of the Board of Managers of the Managing Owner since September 2013. In this role he is responsible for the management of the Managing Owner's exchange traded fund business with direct functional reporting responsibilities for the Managing Owner's portfolio management, products, marketing and capital markets teams. In such capacity, Mr. Draper also is responsible for managing the operations of the Invesco Funds. Previously, Mr. Draper was the Global Head of Exchange Traded Funds for Credit Suisse Asset Management (Credit Suisse) based in London from March 2010 until June 2013, followed by a three month non-compete period pursuant to his employment terms with Credit Suisse. Credit Suisse is an asset management business of Credit Suisse Group, a financial services company. From January

2007 to March 2010, he was the Global Head of Exchange Traded Funds for Lyxor Asset Management in London, an investment management business unit of Societe Generale Corporate & Investment Banking. Mr. Draper was previously registered as a Significant Influence Functions (SIF) person with the UK 's Financial Conduct Authority. He withdrew SIF person status on June 30, 2013 when he left Credit Suisse. Mr. Draper received his MBA from the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill and his BA from the College of William and Mary in Virginia. Mr. Draper is currently registered with FINRA and holds the Series 7, 24 and 63 registrations. Mr. Draper was listed as a principal of the Managing Owner on December 16, 2013.

Peter Hubbard (37) joined the Managing Owner in May 2005 as a portfolio manager and has been Vice President, Director of Portfolio Management since September 2012. In his role, Mr. Hubbard manages a team of eight portfolio managers. His responsibilities include facilitating all portfolio management processes associated with more than 150 equity and fixed income Invesco Funds listed in the United States, Canada and Europe. He is a graduate of Wheaton College with a B.A. degree in Business & Economics. Mr. Hubbard was listed as a principal and registered as an associated person of the Managing Owner on November 15, 2012 and January 1, 2013, respectively. Mr. Hubbard was registered as a swap associated person of the Managing Owner effective as of September 8, 2015.

David Warren (60) is Chief Administrative Officer, Americas, for Invesco Ltd., a global investment management company affiliated with the Managing Owner. He was appointed to this position in January 2007, and also holds the roles of Director, Executive Vice President and Chief Financial Officer of Invesco Canada Ltd., a Canadian investment management subsidiary of Invesco Ltd., since January 2009. He has been a Member of the Board of Managers and Chief Administrative Officer of the Managing Owner since January 2010, as well. In these capacities, Mr. Warren is responsible for general management support, in addition to executing on various strategic initiatives and overseeing the risk management framework for the business units operating within the Americas division of Invesco Ltd. He obtained a Bachelor 's Degree in Commerce from the University of Toronto as both a CA and certified public accountant (CPA) and is a member of the Chartered Professional Accountants of Canada.

Mr. Warren was listed as a principal of the Managing Owner on November 21, 2012.

Annette Lege (48) has been a Chief Accounting Officer and Head of Finance and Corporate Services (FCS) Business Services for Invesco Ltd. since March 2017. In this role, she is responsible for all aspects of Corporate Accounting including group financial reporting, internal controls and group accounting policies. Ms. Lege also manages Invesco 's Finance operations and shared service centers and has held this role since September 2015. Previously, Ms. Lege was Head of FCS Transformation Office from October 2013 through September 2015, with responsibility for business transformation initiatives taking place across FCS at Invesco. Before assuming that role in October 2013, Ms. Lege held the position of North American Corporate Controller at Invesco from March 2007 to October 2013. Ms. Lege is also a CPA, is licensed by FINRA as a Financial Operations Principal, and is a member of the Texas State Board of Public Accountants. Ms. Lege earned a BBA in accounting from the University of Houston. Ms. Lege was listed as a principal of the Managing Owner on March 30, 2017 and was listed as a principal of Invesco Advisors, Inc. on March 22, 2017.

Melanie H. Zimdars (41) has been Chief Compliance Officer of the Managing Owner since November 2017. In this role she is responsible for all aspects of regulatory compliance for the Managing Owner. Ms. Zimdars has also served as Chief Compliance Officer of PowerShares Exchange-Traded Fund Trust, PowerShares Exchange-Traded Fund Trust II, PowerShares India Exchange-Traded Fund Trust, PowerShares Actively Managed Exchange-Traded Fund Trust and PowerShares Actively Managed Exchange-Traded Commodity Fund Trust since November 2017. From September 2009 to October 2017, she served as Vice President and Deputy Chief Compliance Officer at ALPS Holdings, Inc. where she was Chief Compliance Officer for six different mutual fund complexes, including active and passive ETFs and open-end and closed-end funds. Through its subsidiary companies, ALPS Holdings, Inc. is a provider of investment products and customized servicing solutions to the financial services industry. Ms. Zimdars received a BS degree from the University of Wisconsin-La Crosse. Ms. Zimdars was listed as a principal of the

Managing Owner on February 1, 2018.

Steven Hill (53) has been Principal Financial and Accounting Officer, Investment Pools for the Managing Owner since December 2012, Principal

Financial and Accounting Officer, Investment Pools since 2015, and was Head of Global ETF Operations from September 2011 to December 2012. As Principal Financial and Accounting Officer, Investment Pools, he has financial and administrative oversight responsibilities for, and serves as Principal Financial Officer of, the Invesco Funds, including the Fund. As Head of Global ETF Operations he had management responsibilities with regard to the general operations of the Managing Owner. From October 2010 to August 2011, he was Senior Managing Director and Chief Financial Officer of Destra Capital Management LLC and its subsidiaries (Destra), an asset management firm, and was responsible for managing financial and administrative activities as well as financial reporting for Destra and investment funds sponsored by Destra. Previously, he was Senior Managing Director of Claymore Securities, Inc. (Claymore) from December 2003 to October 2010, and was responsible for managing financial and administrative oversight for investment funds sponsored by Claymore. Claymore, now known as Guggenheim Funds Distributors, Inc., is a registered broker-dealer that distributes investment funds. Mr. Hill earned a BS in Accounting from North Central College, Naperville, IL. Mr. Hill was listed as a principal of the Managing Owner on February 12, 2015.

John Zerr (55) has been a Member of the Board of Managers of the Managing Owner since September 2006. Mr. Zerr is also Managing Director and General Counsel for U.S. Retail of Invesco Management Group, Inc., a registered investment adviser affiliated with the Managing Owner, since March 2006, where he is responsible for overseeing the U.S. Retail Legal Department for Invesco Ltd. and its affiliated companies. Mr. Zerr has also been a Senior Vice President and Secretary of IDI since March 2006 and June 2006, respectively. He also served as a Director of that entity until February 2010. Mr. Zerr has served as Senior Vice President of Invesco Advisers, Inc., a registered investment adviser affiliated with the Managing Owner, since December 2009. Mr. Zerr serves as a Director, Vice President and Secretary of Invesco Investment Services, Inc., a registered transfer agency since May 2007. Mr. Zerr has served as Director, Senior Vice President, General Counsel and Secretary of a number of other Invesco Ltd. wholly-owned subsidiaries which service or serviced portions of Invesco Ltd.'s U.S. Retail business since May 2007 and since June 2010 with respect to certain Van Kampen entities engaged in the asset management

business that were acquired by Invesco Ltd. from Morgan Stanley. In each of the foregoing positions Mr. Zerr is responsible for overseeing legal operations. In such capacity, Mr. Zerr also is responsible for overseeing the legal activities of the Invesco Funds. Mr. Zerr earned a BA degree in economics from Ursinus College. He graduated cum laude with a J.D. from Temple University School of Law. Mr. Zerr was listed as a principal of the Managing Owner on December 6, 2012.

Brian Hartigan (39) joined the Managing Owner in May 2015 as Global Head of ETF Investments. In his role, Mr. Hartigan manages the portfolio management function at the Managing Owner, with the Director of Portfolio Management reporting to him. Previously from June 2010 until May of 2015, Mr. Hartigan was the Head of Portfolio Management and Research for Invesco Capital Markets, Inc., the sponsor of unit investment trusts. In that role, he oversaw portfolio management of Invesco unit trusts. He earned his B.A. from the University of St. Thomas in Minnesota and an MBA in finance from DePaul University. He is a CFA charterholder and a member of the CFA Society of Chicago. Mr. Hartigan was listed as a principal of the Managing Owner on February 21, 2018.

Invesco North American Holdings Inc., which is a wholly owned, indirect subsidiary of Invesco Ltd., has been a principal of the Managing Owner since October, 2006 and has been listed as a principal with NFA since October 26, 2012 in connection with the Managing Owner's registration with the CFTC.

Ownership or Beneficial Interest in the Fund

As of the date of this Prospectus, the Managing Owner and the principals of the Managing Owner own less than 1% of the Shares.

Management; Voting by Shareholders; Negative Consent

The Shareholders take no part in the management or control, and have no voice in the operations or the business of the Trust or the Fund. Shareholders, voting together as a single series, may, however, remove and replace the Managing Owner as the managing owner of the Trust and the Fund, and may amend the Trust Agreement, except in certain limited respects, by the affirmative vote of a majority of the outstanding Shares then owned by Shareholders (not including shares held by the Managing Owner and its affiliates). The owners of a

majority of the outstanding Shares then owned by Shareholders may also compel dissolution of the Trust and the Fund. The owners of 10% of the outstanding Shares then owned by Shareholders have the right to bring a matter before a vote of the Shareholders. The Managing Owner has no power under the Trust Agreement to restrict any of the Shareholders' voting rights. Any Shares purchased by the Managing Owner or its affiliates, as well as the Managing Owner's general interests in the Fund or the Trust, are non-voting.

Any action required or permitted to be taken by Shareholders by vote may be taken without a meeting by written consent setting forth the actions so taken. The written consents will be treated for all purposes as votes at a meeting. If the vote or consent of any Shareholder to any action of the Trust, the Fund or any Shareholder, as contemplated by the Trust Agreement, is solicited by the Managing Owner, the solicitation will be effected by notice to each Shareholder given in the manner provided by the Trust Agreement.

The Trust Agreement permits the approval of actions through the negative consent of Shareholders. As provided by Section 11.3 of the Trust Agreement, the vote or consent of each Shareholder so solicited will be deemed conclusively to have been cast or granted as requested in the notice of solicitation, whether or not the notice of solicitation is actually received by that Shareholder, unless the Shareholder expresses written objection to the vote or consent by notice given in the manner provided in the Trust Agreement and actually received by the Trust within twenty (20) days after the notice of solicitation is effected. Because Section 11.3 of the Trust Agreement provides for negative consent (e.g., that Shareholders are deemed to have consented unless they timely object), your consent will be deemed conclusively to have been granted with respect to any matter for which the Managing Owner may solicit your consent unless you express written objection in the manner required by the Trust Agreement and your written objection is actually received by the Trust within twenty (20) days after the notice of solicitation is effected. This means that not responding to the vote or consent solicitation would have the same effect as responding with your affirmative written consent. For example, in the context of a consent solicitation to change the managing owner or any other action, your lack of a response will have the same effect as if you had provided your affirmative written consent for the proposed action.

The Managing Owner and all persons dealing with the Trust will be entitled to act in reliance on any vote or consent which is deemed cast or granted pursuant to the negative consent provision and will be fully indemnified by the Trust in so doing. Any action taken or omitted in reliance on this deemed vote or consent of one or more Shareholders will not be void or voidable by reason of timely communication made by or on behalf of all or any of these Shareholders in any manner other than as expressly provided in the Trust Agreement.

The Managing Owner has the unilateral right to amend the Trust Agreement as it applies to the Fund provided that any such amendment is for the benefit of and not adverse to the Shareholders or the Trustee and also in certain unusual circumstances, for example, if doing so is necessary to comply with certain regulatory requirements.

Recognition of the Trust and the Fund in Certain States

A number of states do not have business trust statutes such as that under which the Trust has been formed in the State of Delaware. It is possible, although unlikely, that a court in such a state could hold that, due to the absence of any statutory provision to the contrary in such jurisdiction, the Shareholders, although entitled under Delaware law to the same limitation on personal liability as stockholders in a private corporation for profit organized under the laws of the State of Delaware, are not so entitled in such state. To protect Shareholders against any loss of limited liability, the Trust Agreement provides that no written obligation may be undertaken by the Fund unless such obligation is explicitly limited so as not to be enforceable against any Shareholder personally. Furthermore, the Fund itself indemnifies all its Shareholders against any liability that such Shareholders might incur in addition to that of a beneficial owner.

Possible Repayment of Distributions Received by Shareholders; Indemnification by Shareholders

The Shares are limited liability investments; investors may not lose more than the amount that they invest plus any appreciation in their investments. However, Shareholders could be required, as a matter of bankruptcy law, to return to the estate of the Fund any distribution they received at a time when the Fund was in fact insolvent or in violation of the Trust

Agreement. In addition, Shareholders agree in the Trust Agreement that they will indemnify the Fund for any harm suffered by it as a result of:

Shareholders' actions unrelated to the business of the Fund; or

taxes separately imposed on the Fund by any state, local or foreign taxing authority.

Shares Freely Transferable

The Shares trade on the NYSE Arca and provide institutional and retail investors with direct access to the Fund. The Fund trades with a view of tracking the Index, over time, less expenses. The Shares may be bought and sold on the NYSE Arca.

Book-Entry Form

Individual certificates will not be issued for the Shares. Instead, global certificates are deposited by the Trustee with DTC and registered in the name of Cede & Co., as nominee for DTC. The global certificates evidence all of the Shares outstanding at any time. Under the Trust Agreement, Shareholders are limited to (1) participants in DTC such as banks, brokers, dealers and trust companies ("DTC Participants"), (2) those who maintain, either directly or indirectly, a custodial relationship with a DTC Participant ("Indirect Participants"), and (3) those banks, brokers, dealers, trust companies and others who hold interests in the Shares through DTC Participants or Indirect Participants. The Shares are only transferable through the book-entry system of DTC. Shareholders who are not DTC Participants may transfer their Shares through DTC by instructing the DTC Participant holding their Shares (or by instructing the Indirect Participant or other entity through which their Shares are held) to transfer the Shares. Transfers are made in accordance with standard securities industry practice.

Reports to Shareholders

The Managing Owner will furnish you with an annual report of the Fund within 90 calendar days after the end of its fiscal year as required by the rules and regulations of the SEC as well as with those reports required by the CFTC and the NFA, including, but not limited to, annual audited financial statements certified by independent registered public accountants and any other reports required by any other governmental authority that has jurisdiction over the activities of the Trust and the Fund. You

also will be provided with appropriate information to permit you to file your U.S. federal and state income tax returns (on a timely basis) with respect to your Shares. Monthly account statements conforming to CFTC and NFA requirements are posted on the Managing Owner's website at <http://www.powershares.com>. Additional reports may be posted on the Managing Owner's website in the discretion of the Managing Owner or as required by applicable regulatory authorities.

The Managing Owner will notify Shareholders of any change in the fees paid by the Trust or of any material changes to the Fund by filing with the SEC a supplement to this Prospectus and a Form 8-K, which will be publicly available at <http://www.sec.gov> and at the Managing Owner's website at <http://www.powershares.com>. Any such notification will include a description of Shareholders' voting rights.

NAV

NAV means the total assets of the Fund including, but not limited to, all cash and cash equivalents or other debt securities less total liabilities of the Fund, each determined on the basis of generally accepted accounting principles in the United States, consistently applied under the accrual method of accounting. In particular, NAV includes any unrealized profit or loss on open futures positions, and any other credit or debit accruing to the Fund but unpaid or not received by the Fund. All open commodity futures contracts traded on a U.S. exchange are calculated at their then current market value, which are based upon the settlement price for that particular commodity futures contract traded on the applicable U.S. exchange on the date with respect to which NAV is being determined; provided, that if a commodity futures contract or option traded on a U.S. exchange could not be liquidated on such day, due to the operation of daily limits or other rules of the exchange upon which that position is traded or otherwise, the Managing Owner may value such futures contract or option pursuant to policies the Managing Owner has adopted, which are consistent with normal industry standards. The current market value of all open commodity futures contracts traded on a non-U.S. exchange will be based upon the settlement price for that particular commodity futures contract traded on the applicable non-U.S. exchange on the date with respect to which NAV is being determined; provided further, that if a futures contract traded on a non-U.S. exchange could not be liquidated on such day, due to the operation of daily limits (if applicable) or other rules of the exchange

upon which that position is traded or otherwise, the Managing Owner may value such futures contract pursuant to policies the Managing Owner has adopted, which are consistent with normal industry standards. The current market value of all open forward contracts entered into by the Fund, if any, shall be the mean between the last bid and last asked prices quoted by the bank or financial institution which is a party to the contract on the date with respect to which NAV is being determined; provided, that if such quotations are not available on such date, the mean between the last bid and asked prices on the first subsequent day on which such quotations are available shall be the basis for determining the market value of such forward contract for such day. The Managing Owner may in its discretion (and under extraordinary circumstances, including, but not limited to, periods during which a settlement price of a futures contract is not available due to exchange limit orders or force majeure type events such as systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance) value any asset of the Fund pursuant to such other principles as the Managing Owner deems fair and equitable so long as such principles are consistent with normal industry standards. Interest earned on the Fund's commodity brokerage account is accrued at least monthly. The amount of any distribution will be a liability of the Fund from the day when the distribution is declared until it is paid.

NAV per Share is the NAV of the Fund divided by the number of outstanding Shares.

Termination Events

The Trust, or, as the case may be, the Fund, will dissolve at any time upon the happening of any of the following events:

The filing of a certificate of dissolution or revocation of the Managing Owner's charter (and the expiration of 90 days after the date of notice to the Managing Owner of revocation without a reinstatement of its charter) or upon the withdrawal, removal, adjudication or admission of bankruptcy or insolvency of the Managing Owner, or an event of withdrawal unless (i) at the time there is at least one remaining managing owner and that remaining managing owner carries on the business of the Fund or (ii) within 90 days of such event of withdrawal all the remaining Shareholders agree in writing to continue the business of the Fund and to select, effective as of the date of such event, one or more successor managing owners. If the Trust is terminated as the result of an event of withdrawal and a failure of all remaining Shareholders to continue the business of the Trust and to appoint a successor managing owner as provided above within 120 days of such event of withdrawal, Shareholders holding Shares representing at least a majority (over 50%) of the NAV of the Fund (not including Shares held by the Managing Owner and its affiliates) may elect to continue the business of the Trust by forming a new statutory trust (Reconstituted Trust) on the same terms and provisions as set forth in the Trust Agreement (whereupon the Managing Owner and the Trustee shall execute and deliver any documents or instruments as may be necessary to reform the Trust). Any such election must also provide for the election of a managing owner to the Reconstituted Trust. If such an election is made, all Shareholders shall be bound thereby and continue as Shareholders of the reconstituted trust.

The occurrence of any event which would make unlawful the continued existence of the Trust or the Fund, as the case may be.

In the event of the suspension, revocation or termination of the Managing Owner's registration as a commodity pool operator or commodity trading advisor under the Commodity Exchange Act, or membership as a commodity pool operator or trading advisor with the NFA (if, in either case, such registration is required

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under the Commodity Exchange Act or the rules promulgated thereunder) unless at the time there is at least one remaining managing owner whose registration or membership has not been suspended, revoked or terminated.

The Trust or the Fund, as the case may be, becomes insolvent or bankrupt.

The Shareholders holding Shares representing at least a majority (over 50%) of the NAV (which excludes the Shares of the Managing Owner) vote to dissolve the Trust, notice of which is sent to the Managing Owner not less than ninety

(90) Business Days prior to the effective date of termination.

The determination of the Managing Owner that the aggregate net assets of the Fund in relation to the operating expenses of the Fund make it unreasonable or imprudent to continue the business of the Fund, or, in the exercise of its reasonable discretion, the determination by the Managing Owner to dissolve the Trust because the aggregate NAV of the Trust as of the close of business on any business day declines below \$10 million.

The Trust or the Fund is required to be registered as an investment company under the Investment Company Act of 1940, as amended.

DTC is unable or unwilling to continue to perform its functions, and a comparable replacement is unavailable.

DISTRIBUTIONS

The Managing Owner has discretionary authority over all distributions made by the Fund. To the extent that the Fund's actual and projected Treasury Income and the Fund's actual and projected Money Market Income and the Fund's actual and projected T-Bill ETF Income, exceeds the actual and projected fees and expenses of the Fund, the Managing Owner expects periodically to make distributions of the amount of such excess. The Managing Owner currently does not expect to make distributions with respect to the Fund's capital gains. Depending on the Fund's performance for the taxable year and your own tax situation for such year, your income tax liability for the taxable year for your allocable share of the Fund's net ordinary income or loss and capital gain or loss may exceed any distributions you receive with respect to such year.

THE ADMINISTRATOR, CUSTODIAN AND TRANSFER AGENT

The Bank of New York Mellon is the administrator of the Fund and has entered into an Administration Agreement in connection therewith. The Bank of New York Mellon serves as the Custodian and has entered into the Custody Agreement in connection therewith. The Bank of New York Mellon serves as the Transfer Agent of the Fund and has entered into a Transfer Agency and Service Agreement in connection therewith.

The Bank of New York Mellon, a banking corporation organized under the laws of the State of New York with trust powers, has an office at 2 Hanson Place, Brooklyn, New York 11217. The Bank of New York Mellon is subject to supervision by the New York State Banking Department and the Board of Governors of the Federal Reserve System. Information regarding the NAV of the Fund, creation and redemption transaction fees and the names of the parties that have executed a Participant Agreement may be obtained from The Bank of New York Mellon by calling the following number: (718) 315-7500. A copy of the Administration Agreement is available for inspection at The Bank of New York Mellon's office identified above.

The Administrator retains certain financial books and records, including: Basket creation and redemption books and records, Fund accounting records, ledgers with respect to assets, liabilities, capital, income and expenses, the registrar, transfer journals and related details and trading and related documents received from futures commission merchants, c/o The Bank of New York Mellon, 2 Hanson Place, Brooklyn, New York 11217, telephone number (718) 315-7500.

A summary of the material terms of the Administration Agreement is disclosed in the Material Contracts section.

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The Administrator's monthly fees of up to 0.05% per annum are paid on behalf of the Fund by the Managing Owner out of the Management Fee.

The Administrator and any of its affiliates may from time to time purchase or sell Shares for their own account, as agent for their customers and for accounts over which they exercise investment discretion.

The Administrator and any successor administrator must be a participant in DTC or such other securities depository as shall then be acting.

The Transfer Agent receives a transaction processing fee in connection with orders from Authorized Participants to create or redeem Baskets in the amount of \$500 per o