

Form 1065 Schedule K-3 FAQ for Invesco DB Funds (Securities Act of 1933)

March 14, 2023

1) What is the Schedule K-3 (K-3)?

- a. Starting in tax year 2021, the K-3 must be filed by all pass-through entities with items of international tax relevance, including foreign partners and international activities, as required by the Internal Revenue Service (IRS). The schedule replaces and supplements the reporting of items that were previously reported on line 16 of the Schedule K-1 (K-1).
- b. This is not unique to Invesco. Invesco's DB Funds are required to file a K-3 because the funds have partners that may need the information for their overall calculation of their foreign tax credit.

2) What are the implications for clients?

- a. Invesco's DB funds do not have any foreign activity and all income is US sourced. Implications will depend on the complexity of the client's specific position.

3) Why was the K-3 not provided with the K-1?

- a. The 2022 K-3s were delayed and the new delivery time is the end of June 2023, as communicated in the K-1.
- b. The main driver for the K-3 delay is the IRS's new requirement that K-3s be filed electronically starting tax year 2022. Not only is time needed for the tax service providers to build out their e-file capability but, while on the surface there appears to be little change in the K-1 and K-3 forms, behind the scenes there is significant development and testing to ensure details presented on the K-3 is compatible with the IRS rules governing return acceptance.
- c. In the future, the ultimate goal is for the K-3s to come out in tandem with the K-1s (typically by March 1st).

4) Which Invesco funds are impacted?

- a. Please see the list below:

Fund Ticker	Fund Name
DBA	Invesco DB Agriculture Fund
DBB	Invesco DB Base Metals Fund
DBC	Invesco DB Commodity Index Tracking Fund
DBE	Invesco DB Energy Fund
DBV*	Invesco DB G10 Currency Harvest Fund ¹
DGL*	Invesco DB Gold Fund ²
DBO	Invesco DB Oil Fund
DBP	Invesco DB Precious Metals Fund
DBS*	Invesco DB Silver Fund ³
UDN	Invesco DB US Dollar Index Bearish Fund
UUP	Invesco DB US Dollar Index Bullish Fund

***DBV, DGL and DBS have been liquidated.**

¹March 3, 2023 was the final day of trading for the Invesco DB G10 Currency Harvest Fund (NYSE Arca: DBV) and is no longer offered for sale. Shareholders, who did not sell their holdings prior to this date,

will receive \$25.70093 per share, representing return of capital, in the cash portion of their brokerage accounts on or about March 10, 2023. For additional information, shareholders may call Invesco at 800.983.0903. This information does not constitute an offer to sell or a solicitation of an offer to buy units of the Fund.

²March 3, 2023 was the final day of trading for the Invesco DB Gold Fund (NYSE Arca: DGL) and is no longer offered for sale. Shareholders, who did not sell their holdings prior to this date, will receive \$51.53144 per share, representing return of capital, in the cash portion of their brokerage accounts on or about March 10, 2023. For additional information, shareholders may call Invesco at 800.983.0903. This information does not constitute an offer to sell or a solicitation of an offer to buy units of the Fund.

³March 3, 2023 was the final day of trading for the Invesco DB Silver Fund (NYSE Arca: DBS) and is no longer offered for sale. Shareholders, who did not sell their holdings prior to this date, will receive \$28.53613 per share, representing return of capital, in the cash portion of their brokerage accounts on or about March 10, 2023. For additional information, shareholders may call Invesco at 800.983.0903. This information does not constitute an offer to sell or a solicitation of an offer to buy units of the Fund.

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Disclosures

Invesco does not offer tax advice. Please consult your tax professional for information regarding your own personal tax situation.

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making any investment decisions.

The DB Funds are not suitable for all investors due to the speculative nature of an investment based upon the Funds' trading which takes place in very volatile markets. Because an investment in futures contracts is volatile, such frequency in the movement in market prices of the underlying future contracts could cause large losses. See the Prospectus for risk disclosures.

Commodities and futures generally are volatile and are not suitable for all investors.

The value of the Shares of the Funds relate directly to the value of the futures contracts and other assets held by the Funds and any fluctuation in the value of these assets could adversely affect an investment in the Funds' Shares.

Please review the prospectus for break-even figures for the Funds.

The DB Funds are speculative and involve a high degree of risk. An investor may lose all or substantially all of an investment in the Funds.

The DB Funds are not mutual funds 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.

This material must be accompanied or preceded by a [DBA](#), [DBB](#), [DBC](#), [DBE](#), [DBO](#), [DBP](#), [DBS](#), [DBV](#), [DGL](#), [UDN](#) and [UUP](#) prospectus. Please read the prospectus carefully before investing.

The DB Funds issue a Schedule K-1.

Shares are not individually redeemable and owners of the Shares may acquire those Shares from the Fund and tender those Shares for redemption to the Fund in Creation Unit aggregations only, typically consisting of 100,000 Shares.

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