Report of Organizational Actions Affecting Basis of Securities

Part I Reporting Issuer

1 Issuer’s name
PowerShares National AMT-Free Municipal Bond Portfolio

2 Issuer's employer identification number (EIN)
37-1548897

3 Name of contact for additional information
POWERSHARES CLIENT SERVICES

4 Telephone No. of contact
800-983-0903

5 Email address of contact
INFO@POWERSHARES.COM

6 Number and street (or P.O. box if mail is not delivered to street address) of contact
3500 LACEY ROAD, SUITE 700

7 City, town, or post office, state, and Zip code of contact
DOWNERS GROVE, IL 60515

8 Date of action

9 Classification and description
COMMON STOCK

10 CUSIP number

11 Serial number(s)

12 Ticker symbol

13 Account number(s)

See Attachment

Part II Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders’ ownership is measured for the action.
The Fund paid a monthly distribution to shareholders during 2015.

A portion of each distribution constitutes a non-taxable return of capital. - See attachment.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.
The portion of each distribution that constitutes a non-taxable return of capital will decrease a U.S. taxpayer’s basis in the shares of the issuer. For non-taxable return of capital see attachment.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.
The Fund’s current and accumulated earnings were compared to the distributions paid during the period ended October 2015. The non-taxable return of capital represents the amount of distributions paid during the taxable period ended October 31, 2015 in excess of the Fund’s current and accumulated earnings and profits under IRC Section 316.
Part II  Organizational Action (continued)

17  List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►

Internal Revenue Code Sections 301, 316, 852.

18  Can any resulting loss be recognized? ► No

19  Provide any other information necessary to implement the adjustment, such as the reportable tax year ►

This organizational action is reportable with respect to calendar year 2015.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ►  Date ►

Print your name ► A signed copy is maintained by the issuer.  Title ► TREASURER

Paid Preparer Use Only

Print/Type preparer’s name  Preparer’s signature  Date  Check □ if self-employed  PTIN

Firm’s name ►  Firm’s EIN ►

Firm’s address ►  Phone no.

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054
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