

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name PowerShares VRDO Tax-Free Weekly Portfolio		2 Issuer's employer identification number (EIN) 37-1548899	
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 See Attachment	9 Classification and description COMMON STOCK		
10 CUSIP number See Attachment	11 Serial number(s)	12 Ticker symbol See Attachment	13 Account number(s)

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 2013.**
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 2013. The non-taxable return of capital represents the amount of distributions paid during the taxable period ended October 31, 2013 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 2013.

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.

Sign Here

Signature ▶ S/STEVEN M. HILL

Date ▶ 2/14/14

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.

CUSIP	Ticker Symbol	Payable Date	Distribution Per Share	Income Dividends	Per Share			Nondividend Distribution	Exempt Interest Dividends
					Short-term Capital Gains	Total Ordinary Dividends	Long-Term Capital Gains		
73936T433	PVI	01/31/2013	0.000520	0.000000	0.000000	0.000000	0.000000	0.000189	0.000331
73936T433	PVI	02/28/2013	0.000660	0.000001	0.000000	0.000001	0.000000	0.000240	0.000419
73936T433	PVI	03/28/2013	0.000680	0.000001	0.000000	0.000001	0.000000	0.000247	0.000432
73936T433	PVI	04/30/2013	0.000420	0.000000	0.000000	0.000000	0.000000	0.000153	0.000267
73936T433	PVI	05/31/2013	0.002650	0.000002	0.000000	0.000002	0.000000	0.000962	0.001686
73936T433	PVI	06/28/2013	0.000660	0.000001	0.000000	0.000001	0.000000	0.000240	0.000419
73936T433	PVI	07/31/2013	0.000540	0.000000	0.000000	0.000000	0.000000	0.000196	0.000344
73936T433	PVI	08/30/2013	0.000120	0.000000	0.000000	0.000000	0.000000	0.000044	0.000076
73936T433	PVI	09/30/2013	0.000100	0.000000	0.000000	0.000000	0.000000	0.000036	0.000064
73936T433	PVI	10/31/2013	0.000100	0.000000	0.000000	0.000000	0.000000	0.000036	0.000064
73936T433	PVI	11/29/2013	0.000100	0.000000	0.000000	0.000000	0.000000	0.000000	0.000100
73936T433	PVI	12/31/2013	0.000100	0.000000	0.000000	0.000000	0.000000	0.000000	0.000100
Total			0.006650	0.000005	0.000000	0.000005	0.000000	0.002343	0.004302