



STOCK EXCHANGE			
Regulatory Information Circular			
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**Subject: PowerShares Active U.S. Real Estate Fund**

**Background Information on the Fund**

As more fully explained in the Registration Statement (No. 333-147622 and 811-22148), the Trust is registered under the Investment Company Act of 1940 (the “1940 Act”) as an open-end management investment company. The Trust is organized as a series funds, currently consisting of four Funds. The Funds are an “exchange-traded fund” (“ETFs”) However, in contrast to traditional ETFs, the Funds will not seek to replicate the performance of an underlying benchmark securities index, but will instead, be “actively-managed” so that the portfolio manager is able to choose securities for the Fund’s portfolio consistent with the Fund’s investment objective and its prospectus.

PowerShares Active U.S. Real Estate Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in securities of companies that are principally engaged in the U.S. real estate industry and included within the FTSE NAREIT Equity REITs Index. The 80% investment policy is non-fundamental and requires 60 days' prior written notice to shareholders before it can be changed. A company is considered to be principally engaged in the U.S. real estate industry if (i) it derives 50% of its revenues or profits from the ownership, leasing, construction, financing or sale of U.S. real estate; or (ii) it has at least 50% of the value of its assets invested in U.S. real estate. The Fund plans to invest principally in equity real estate investment trusts ("REITs"). Equity REITs pool investors' funds for investments primarily in real estate properties or real estate-related loans (such as mortgages). The Fund may also invest in real estate operating companies ("REOCs"), as well as securities of other companies principally engaged in the U.S. real estate industry. REOCs are similar to REITs, except that REOCs reinvest their earnings into the business, rather than distributing them to unit holders like REITs.

Invesco PowerShares Capital Management LLC (“Adviser”) will serve as the investment adviser to the Funds. AER is the investment Sub-Adviser for the Active AlphaQ Fund and Active Alpha Multi-Cap Fund. Invesco Institutional is the investment Sub-Adviser for the Active Mega Cap Fund and Active Low Duration Fund. Invesco Aim Distributors, Inc. (the “Distributor”) will be the distributor for the Funds’. The Bank of New York (“BONY”) will be the administrator (the “Administrator”), custodian (the “Custodian”), transfer agent (the “Transfer Agent”), and PricewaterhouseCoopers LLP will be the Funds’ accounting agent (“Fund Accounting Agent”).

As described more fully in the Trust's Prospectus and Statement of Additional Information ("SAI"), the Fund issues and redeems Shares at their net asset value ("NAV") only in large blocks of 50,000 Shares (each block of 50,000 Shares called a "Creation Unit"), in exchange for cash (the "Cash Payment"). Shares of the Fund will trade at market prices that may differ from the NAV. Shares of the Fund are redeemable only in Creation Units in exchange for cash. Except when aggregated in Creation Units, the Shares may not be redeemed with the Trust.

The Trust's registration statement describes the various fees and expenses for the Funds' Shares. For a more complete description of the Fund and the Index, visit [www.powershares.com](http://www.powershares.com).

### **Disclosure of Portfolio Holdings**

Unlike traditional ETFs that are not required to provide daily portfolio disclosure, the Funds will prior to the opening each business day, make publicly available on their website, [www.powershares.com](http://www.powershares.com), a file of all the portfolio securities and other assets held by each Fund and the quantities thereof, as of the close of business on the prior business day, reflecting all securities bought and sold on such prior business day. This information will be available to investors and market participants accessing the Funds' website and will form the basis for each Funds calculation of NAV as of the close of regular trading on the Exchange's Core Trading Session (normally 4:00 p.m. Eastern Time).

### **Portfolio Indicative Value**

NYSE Arca will disseminate, at least every 15 seconds, through the facilities of the Consolidated Tape Association, an estimated value for the Fund's on a per-Share basis (the "Portfolio Indicative Value"). The Portfolio Indicative Value is designed to provide investors with a reference value which can be used in connection with other related market information.

The NYSE Arca does not guarantee the accuracy or completeness of the Portfolio Indicative Value. The Portfolio Indicative Value is determined by dividing the "Estimated Fund Value" as of the time of the calculation by the total Shares outstanding. "Estimated Fund Value" is the sum of the estimated amount of cash held in the Fund's portfolio, the estimated value of the securities held in the Fund's portfolio and the estimated amount of accrued interest, minus the estimated amount of liabilities.

The Portfolio Indicative Value on a per-Share basis disseminated should not be viewed as a real time update of the NAV, which is calculated only once a day.

### **Other Information about the Fund**

Dividends from net investment income, if any, are declared and paid quarterly by the Fund. Distributions of net realized securities gains, if any, generally are declared and paid once a year, but the Trust may make distributions on a more frequent basis. The

Trust reserves the right to declare special distributions if, in its reasonable discretion, such action is necessary or advisable to preserve the status of the Fund as a RIC or to avoid imposition of income or excise taxes on undistributed income.

The Depository Trust Company ("DTC") will serve as securities depository for the Shares, which may be held only in book-entry form; stock certificates will not be issued. DTC, or its nominee, is the record or registered owner of all outstanding Shares.

BONY calculates the Fund's NAV at the close of regular trading (normally 4:00 p.m., Eastern time) every day the NYSE is open. NAV is calculated by deducting all of the Fund's liabilities from the total value of its assets and dividing the result by the number of Shares outstanding, rounding to the nearest cent. All valuations are subject to review by the Trust's Board of Trustees or its delegate. The NAV is available from the Trust.

### **Purchases and Redemptions in Creation Unit Size**

Equity Electronic Access Members ("Equity EAMs") are hereby informed that procedures for purchases and redemptions of Shares in Creation Units are described in the Trust's Prospectus and SAI and that Shares are not individually redeemable but are redeemable only in Creation Unit aggregations or multiples thereof.

The Trust's Prospectus and SAI describe additional procedures and requirements that apply to the creation and redemption of Shares.

### **Principal Risks**

Interested persons are referred to the Trust's Prospectus for a completed description of risks associated with an investment in the Shares. As noted in the Prospectus, the Shares may trade at market prices that may differ from their NAV. The NAV of the Shares will fluctuate with changes in the market value of the Fund's holdings. The market prices of the Shares will fluctuate in accordance with changes in NAV as well as the supply and demand for the Shares.

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

The Shares are considered equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities.

### **Trading Hours**

Trading in the shares on ISE is on a UTP basis and is subject to ISE equity trading rules. The shares will trade from 8:00 a.m. until 8:00 p.m. Eastern Time. Equity EAMs trading the shares during the Extended Market Sessions are exposed to the risk of the lack of the calculation or dissemination of underlying index value or intraday indicative value ("IIV"). For certain derivative securities products, an updated underlying index value or IIV may not be calculated or publicly disseminated in the Extended Market hours. Since the underlying index value and IIV are not calculated or widely disseminated during

Extended Market hours, an investor who is unable to calculate implied values for certain derivative securities products during Extended Market hours may be at a disadvantage to market professionals.

### **Trading Halts**

ISE will halt trading in the Shares of a Trust in accordance with ISE Rule 2101(a)(2)(iii). The grounds for a halt under this Rule include a halt by the primary market because it stops trading the Shares and/or a halt because dissemination of the IIV or applicable currency spot price has ceased, or a halt for other regulatory reasons. In addition, ISE will stop trading the Shares of a Trust if the primary market de-lists the Shares.

### **Delivery of a Prospectus**

Pursuant to federal securities laws, investors purchasing Shares must receive a prospectus prior to or concurrently with the confirmation of a transaction. Investors purchasing Shares directly from the Fund (by delivery of the Deposit Amount) must also receive a prospectus.

Prospectuses may be obtained through the Distributor or on the Fund's website. The Prospectus does not contain all of the information set forth in the registration statement (including the exhibits to the registration statement), parts of which have been omitted in accordance with the rules and regulations of the SEC. For further information about the Fund, please refer to the Trust's registration statement.

### **Exemptive, Interpretive and No-Action Relief Under Federal Securities Regulations**

The Commission has issued a letter dated April 4, 2008 (the "No-Action Letter") granting exemptive or no-action relief from certain rules under the Securities Exchange Act of 1934 for the Shares.

### **Regulation M Exemptions**

Under the No-Action Letter, the Fund is exempted from Rule 101 pursuant to paragraph (c)(4) of Rule 101, permitting persons who may be deemed to be participating in a distribution of the Shares to bid for or purchase Shares during their participation in such distribution. The Fund is exempted under Rule 102(d)(4), permitting a Fund to redeem Shares during the continuous offering of Shares.

### **Rule 10b-17 (Untimely Announcement of Record Dates)**

The SEC has granted an exemption from the requirements of Rule 10b-17 that will cover transactions in the Shares.

### **Section 11(d)(1); Rule 11d1-2 (Customer Margin)**

The SEC has taken a no-action position under Section 11(d)(1) that will permit broker-dealers that do not create Shares but engage in both proprietary and customer

transactions in such Shares exclusively in the secondary market to extend or maintain or arrange for the extension or maintenance of credit on the Shares, in connection with such secondary market transactions. For broker-dealers that engage in the creation of Shares, the SEC has also taken a no-action position under Rule 11d1-2 that will cover the extension or maintenance or the arrangement for the extension or maintenance of credit on the Shares that have been owned by the persons to whom credit is provided for more than 30 days.

**Rule 15c1-5 and 15c1-6 (Disclosure of Control and Interest in Distributions)**

The SEC has taken a no-action position under Rule 15c1-5 that will permit a broker-dealer to execute transactions in Shares without disclosing any control relationship with an issuer of a component security. In addition, the SEC has taken a no-action position under Rule 15c1-6 that will permit a broker dealer to execute transactions in the Shares without disclosing its participation or interest in a primary or secondary distribution of a component security.

Equity EAMs are referred to the full text of the No-Action Letter for additional information.

**This Regulatory Information Circular is not a statutory Prospectus. Equity EAMs should consult the Trust's Registration Statement, SAI, Prospectus and the Fund's website for relevant information.**

## Appendix A

<b>Ticker</b>	<b>Fund Name</b>
PSR	PowerShares Active U.S. Real Estate Fund