Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name	2 Issuer's employer identification number (EIN)
IQ U.S. REAL ESTATE SMALL CAP ETF	45-2218149

3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact
ADEFOLAHAN OYEFESO	(212) 576-7491	AOYEFESO@INDEXIQ.COM

6 Number and street (or P.O. box if mail is not delivered to street address) of contact	7 City, town, or post office, state, and ZIP code of contact
51 MADISON AVENUE, 4TH FLOOR	NEW YORK, NY 10010

8 Date of action	9 Classification and description
6/27/2017, 9/28/2017, 1/03/2018, 3/28/2018	SHARES - REGULATED INVESTMENT COMPANY

10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
45409B628	N/A	ROOF	N/A

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 DISTRIBUTIONS TO SHAREHOLDERS IN JUNE 2017, SEPTEMBER 2017 IN ADDITION TO JANUARY 2018 AND MARCH 2018. A PORTION OF THOSE DISTRIBUTIONS CONSTITUTE NON-TAXABLE RETURN OF CAPITAL.

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 BASIS OF THE SECURITY SHOULD BE REDUCED BY 40.91% OF THE TOTAL DISTRIBUTIONS RECEIVED IN JUNE 2017, SEPTEMBER 2017 AND JANUARY OF 2018. THE BASIS OF THE SECURITY SHOULD BE REDUCED BY 6.62% OF THE TOTAL DISTRIBUTION RECEIVED IN MARCH OF 2018.

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 NON-DIVIDEND DISTRIBUTIONS REPRESENT DISTRIBUTIONS ASSOCIATED WITH THE 2017 FUND TAX YEAR WHICH ARE IN EXCESS OF THE CURRENT YEAR AND ACCUMULATED EARNINGS AND PROFITS.

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ **I.R.C. SECTIONS 301(c)(2) AND 317(a).**

18 Can any resulting loss be recognized? ▶ **N/A**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **N/A**

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 ▶ [signature] Date ▶ 2/11/18

Print your name ▶ **ADEFOLAHAN OYEFESO** Title ▶ **VICE PRESIDENT**

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