

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
IRC 316 AND 301 (c)

18 Can any resulting loss be recognized? ▶
FOR U.S. FEDERAL INCOME TAX PURPOSES, THE DISTRIBUTIONS WILL NOT RESULT IN ANY TAX LOSS FOR ANY COMMON UNITHOLDERS.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
SEE ATTACHED STATEMENT

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 ▶ J.A. Costain Date ▶ 3/2/2016
Print your name ▶ JOHN A COSTAIN Title ▶ CEO

| | | | | | |
|-------------------------------|---|-------------------------|------------|---|-----------|
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | SUSAN MCKILLIGAN | <u>S.M.</u> | 01/31/2016 | | P01491547 |
| | Firm's name ▶ PRICEWATERHOUSECOOPERS LLP | Firm's EIN ▶ 98-0189320 | | Phone no. 604-806-7000 | |
| | Firm's address ▶ #700-250 HOWE STREET, VANCOUVER, BC CANADA V6C 3S7 | | | | |

Attachment to Form 8937**Report of Organizational Actions Affecting Basis of Securities**

Issuer: KNOT Offshore Partners LP
EIN: 98-1098373

Part I, Items 9,
10 and 12 Common Units
 CUSIP # - Y48125101
 Ticker Symbol - KNOP

Part II, Item 14 During the year ended December 31, 2015, KNOT Offshore Partners LP ("KNOP") declared the following cash distributions to the common unitholders on the dates of record:

| | Date of Record | Amount per Unit | Date Paid |
|---------------------|-----------------------|------------------------|-------------------|
| Common Units | February 3, 2015 | \$0.4900 | February 13, 2015 |
| | May 4, 2015 | \$0.5100 | May 14, 2015 |
| | August 3, 2015 | \$0.5100 | August 14, 2015 |
| | November 2, 2015 | \$0.5200 | November 13, 2015 |

Part II, Item 15 Dividends paid in excess of the current and accumulated earnings and profits of a corporation reduce the basis of the shares of the corporation pursuant to Internal Revenue Code §301(c)(2) and §316(a).

Based on the current and accumulated earnings and profits of KNOP, a portion of the distributions paid per unit as of the dates of record should reduce the basis of each common unitholder as follows:

| | |
|---------------------|--|
| Common Units | \$0.0065 per common unit for holders on February 3, 2015 |
| | \$0.0097 per common unit for holders on May 4, 2015 |
| | \$0.0568 per common unit for holders on August 3, 2015 |
| | \$0.0589 per common unit for holders on November 2, 2015 |

Part II, Item 19 The reportable tax year is 2015. Unitholders as of the following dates of record should reduce the basis of each unit held on those dates by the following amounts per unit:

| | |
|---------------------|--|
| Common Units | \$0.0065 per common unit for holders on February 3, 2015 |
| | \$0.0097 per common unit for holders on May 4, 2015 |
| | \$0.0568 per common unit for holders on August 3, 2015 |
| | \$0.0589 per common unit for holders on November 2, 2015 |

The reduction in basis is cumulative such that a unitholder who was the unitholder of record for all four distributions would be required to reduce its basis by a total of \$0.1319 per unit.
