

## INVESCO UIT PROXY VOTING LIST

### **General**

The primary trust agreement provision that addresses proxy voting is attached. The provision is not limited to proxy voting and addresses any action to be taken with respect to a UIT's portfolio securities. This provision does not necessarily apply to all Invesco UITs. For example, this provision is amended for UITs which elect to be treated as "regulated investment companies" for tax purposes or for UITs holding shares of other registered investment companies (see below).

Generally speaking, the Depositor (Van Kampen Funds Inc.) may instruct the Trustee (The Bank of New York Mellon) to vote proxies in any manner it determines appropriate. Due to the tax structure of some UITs, this discretion is limited in the case of an offer to issue new securities, or to exchange securities, for a UIT's portfolio securities. These UITs are structured as "grantor trusts" for federal income tax purposes and grantor trusts may not "vary the investment" of unitholders. *This means that the Trustee generally cannot take affirmative action to change the property underlying a unit of a UIT by exchanging UIT assets for other assets.* For example, if a UIT held shares of company XYZ and company ABC agrees to acquire all shares of XYZ in exchange for ABC stock, the Trustee generally must vote against the acquisition when voting the XYZ shares because the UIT would receive ABC shares in exchange for the UIT's XYZ shares. If the UIT held ABC shares in this example, grantor trust tax laws would not limit the manner in which the ABC shares are voted because there would be no exchange of the ABC shares in the UIT's portfolio.

### **RiskMetrics' Services**

Invesco Advisers, Inc. ("Invesco") has contracted with RiskMetrics Group ("RiskMetrics"), an independent third party service provider, to vote the UITs' proxies in accordance with RiskMetrics' proxy voting recommendations pursuant to its then-current proxy voting guidelines. Invesco has also contracted with RiskMetrics to provide a custom policy (the "Custom Policy") that will vote the UITs' proxies in accordance with the terms and conditions of the UITs. Specifically, the Custom Policy provides for RiskMetrics to vote against any proxy that will change the property underlying a unit of a UIT by exchanging UIT assets for other assets. Furthermore, RiskMetrics will provide proxy analyses, vote recommendations, vote execution and record-keeping services for the Invesco UITs.

### **Guidance for UITs' Proxy Voting**

The following discussion provides general guidance on voting limitations which the UITs are subject to with respect to each issue listed below. This general guidance provides a framework for voting proxies within the terms and conditions of the UITs, but this general guidance does not address all potential proxy issues that may have the effect of changing the property underlying a unit of a UIT by exchanging UIT assets for other assets. Therefore, any other proxy proposals that may have the effect of issuing new securities or exchanging securities held by the UITs, the Trustee must vote against.

Please note the following definitions:

- “*As per RiskMetrics’ Recommendation*” generally means that UIT holdings may be voted according to the recommendation by RiskMetrics pursuant to its then-current proxy voting guidelines unless otherwise overridden by the UIT proxy committee as provided herein.
- “*Against*” generally means that the Trustee should vote against the proposed item because the contemplated transaction appears to be one that would result in a change to the assets underlying units of a UIT. The UIT Proxy Committee would generally not object to abstentions in some or all of these cases because an abstention arguably is not an affirmative action taken by a UIT to “vary the investment” of unitholders for grantor trust tax law purposes. These issues will be addressed by the Custom Policy.

***Increase in authorized share capital with pre-emptive rights***

*As per RiskMetrics’ Recommendation*—Note that a UIT would not be able to exercise any pre-emptive rights but this should not prevent a UIT’s ability to vote in favor of increasing authorized share capital with pre-emptive rights. Such differentiation will be addressed by the Custom Policy.

***Increase in authorized share capital without pre-emptive rights***

*As per RiskMetrics’ Recommendation*

***Issue of bonus shares/Capitalization of shares***

*As per RiskMetrics’ Recommendation*

***Consolidation/Split of shares***

*As per RiskMetrics’ Recommendation*

***Buy-back of shares***

*Against* - If the UIT would be obligated to sell shares upon approval of the program.

*As per RiskMetrics’ Recommendation*—If the UIT is only voting to approve a buy-back program and is not obligated to sell shares upon approval of the program.

***Absorption proposals***

*Against*—If voting shares of target company.

*As per RiskMetrics Recommendation*—If voting shares of acquiring company.

### ***Takeover***

*Against*—If voting shares of target company.

*As per RiskMetrics' Recommendation*—If voting shares of acquiring company.

### ***Re-organization/Capital restructuring proposals***

*Against* - If new securities are being issued in exchange for existing UIT portfolio securities.

*As per RiskMetrics' Recommendation* - If new securities are not being issued.

### ***Acquisition proposals***

*Against*—If voting shares of target company.

*As per RiskMetrics' Recommendation*—If voting shares of acquiring company.

### ***Merger/Amalgamation proposals***

*Against*—This assumes that a new security is being issued for a new combined entity. If the transaction actually involves a target and acquiror, then voting should occur as described for “Absorption”, “Takeover” and “Acquisition” proposals.

### ***De-merger/spin-off proposals***

*Against*—If new securities are being issued *in exchange for* existing UIT portfolio securities.

*As per RiskMetrics' Recommendation* - If a stock is being spun-off from an existing UIT portfolio security (i.e., the UIT will continue to hold the original portfolio security)

### ***Liquidation/Winding up***

*As per RiskMetrics' Recommendation*—If a UIT would only receive cash following the liquidation of a company.

*Against*—If a UIT could receive assets other than cash.

### ***Trusts Holding Shares of other Registered Investment Companies***

The Trustee of a UIT holding shares of other registered investment companies must vote all proxies as closely as possible in the same manner and the same general proportion, with respect to all issues, as are the shares of such securities held by owners other than the UIT (i.e., “mirror voting”) unless the Depositor instructs otherwise within five business days of receiving

notice of the proxy. The proxies of other registered investment companies will be forwarded to the Depositor for voting.

### **UIT Proxy Committee**

The UIT Proxy Committee shall include three (3) representatives from the Invesco UIT business or other functional departments as deemed appropriate and who are knowledgeable regarding the proxy process. A majority of the members of the UIT Proxy Committee shall constitute a quorum and the UIT Proxy Committee shall act by a majority vote of those members in attendance at a meeting called for the purpose of determining how to vote a particular proxy. The UIT Proxy Committee shall keep minutes of its meetings that shall be kept with the proxy voting records of Invesco. The UIT Proxy Committee will appoint a Proxy Manager to manage the proxy voting process, which includes the voting of proxies and the maintenance of appropriate records.

The Proxy Manager shall call for a meeting of the UIT Proxy Committee (1) when override submissions are made; and (2) in instances when RiskMetrics has recused itself or has not provided a vote recommendation. At such meeting, the UIT Proxy Committee shall determine how proxies are to be voted in accordance with the terms and conditions of the UITs and the best interests of the UITs.

### **Recusal by RiskMetrics or Failure of RiskMetrics to Make a Recommendation**

When RiskMetrics does not make a recommendation on a proxy voting issue or recuses itself due to a conflict of interest, the UIT Proxy Committee will review the issue and determine whether Invesco has a material conflict of interest as determined pursuant to the policies and procedures outlined in the “Conflicts of Interest” section below. If the UIT Proxy Committee determines it does not have a material conflict of interest, the UIT Proxy Committee will direct RiskMetrics how to vote the proxies. If the UIT Proxy Committee determines it does have a material conflict of interest, the UIT Proxy Committee will follow the policies and procedures set forth in such section.

### **Override of RiskMetrics’ Recommendation**

There may be occasions where the UIT Proxy Committee will seek to override a RiskMetrics recommendation if its members believe that a RiskMetrics recommendation is not in accordance with the best interests of the UITs. In the event a member of the UIT Proxy Committee disagrees with a RiskMetrics recommendation on a particular voting issue, the individual shall document in writing the reasons that he/she believes that the RiskMetrics recommendation is not in accordance with the UITs’ best interests and submit such written documentation to the Proxy Manager for consideration by the UIT Proxy Committee. Upon review of the documentation and consultation with the individual and others as the UIT Proxy Committee deems appropriate, the UIT Proxy Committee may make a determination to override the RiskMetrics voting recommendation if the UIT Proxy Committee determines that it is in accordance with the terms and conditions of the UITs, in the best interests of the UITs and the UIT Proxy Committee has addressed any conflict of interest.

## **UIT Proxy Committee Meetings – Conflicts of Interest**

When a UIT Proxy Committee Meeting is called, whether because of a RiskMetrics recusal or request for override of a RiskMetrics recommendation, the UIT Proxy Committee shall request from the Invesco Chief Compliance Officer as to whether any Invesco person has reported a conflict of interest.

The UIT Proxy Committee shall review the report from the Chief Compliance Officer to determine whether a real or perceived conflict of interest exists, and the minutes of the UIT Proxy Committee shall:

1. describe any real or perceived conflict of interest,
2. determine whether such real or perceived conflict of interest is material,
3. discuss any procedure used to address such conflict of interest,
4. report any contacts from outside parties (other than routine communications from proxy solicitors), and
5. include confirmation that the recommendation as to how the proxies are to be voted is in accordance with the terms and conditions of the UITs, in the best interests of the UITs and was made without regard to any conflict of interest.

Based on the above review and determinations and the procedures to address any conflicts of interest (as described below), the UIT Proxy Committee will direct RiskMetrics how to vote the proxies as provided herein.

## **Certain Proxy Votes May Not Be Cast**

In some cases, the UIT Proxy Committee may determine that it is not in the best interests of clients to vote proxies. For example, proxy voting in certain countries outside the United States requires share blocking. Shareholders who wish to vote their proxies must deposit their shares 7 to 21 days before the date of the meeting with a designated depository. During the blocked period, shares to be voted at the meeting cannot be sold until the meeting has taken place and the shares have been returned to the Custodian/Sub-Custodian bank. In addition, voting certain international securities may involve unusual costs to clients, some of which may be related to requirements of having a representative in person attend the proxy meeting. In other cases, it may not be possible to vote certain proxies despite good faith efforts to do so, for instance when inadequate notice of the matter is provided. Invesco typically will not, but reserves the right to, vote where share blocking restrictions, unusual costs or other barriers to efficient voting apply. Invesco will not vote if it determines that the cost of voting exceeds the expected benefit to the client. The Proxy Manager shall record the reason for any proxy not being voted, which record shall be kept with the proxy voting records of Invesco.

## **Proxy Voting Records**

The proxy voting statements and records will be maintained by the Proxy Manager on-site (or accessible via an electronic storage site of RiskMetrics) for the first two (2) years. Copies of the proxy voting statements and records will be maintained for an additional five (5) years by Invesco (or will be accessible via an electronic storage site of RiskMetrics).

## **Procedures to Address Conflicts of Interest and Improper Influence**

In order to avoid voting proxies in circumstances where Invesco or any of its affiliates have or may have any conflict of interest, real or perceived, Invesco has contracted with RiskMetrics to provide proxy analyses, vote recommendations and voting of proxies. Unless noted otherwise by RiskMetrics, each vote recommendation provided by RiskMetrics to Invesco shall include a representation from RiskMetrics that RiskMetrics has no conflict of interest with respect to the vote. In instances where RiskMetrics has recused itself or makes no recommendation on a particular matter, or if an override submission is requested, the UIT Proxy Committee shall determine how the proxy is to be voted and instruct the Proxy Manager accordingly, in which case the conflict of interest provisions discussed below shall apply.

In effecting the policy of voting proxies in accordance with the terms and conditions of the UITs and the best interests of the UITs, there may be occasions where the voting of such proxies may present a real or perceived conflict of interest between Invesco, as the investment manager, and Invesco's clients. For each director, officer and employee of Invesco ("Invesco person"), the interests of Invesco's clients must come first, ahead of the interest of Invesco and any Invesco person, including Invesco's affiliates. Accordingly, no Invesco person may put "personal benefit," whether tangible or intangible, before the interests of clients of Invesco or otherwise take advantage of the relationship with Invesco's clients. "Personal benefit" includes any intended benefit for oneself or any other individual, company, group or organization of any kind whatsoever, except a benefit for a client of Invesco, as appropriate. It is imperative that each Invesco person avoid any situation that might compromise, or call into question, the exercise of fully independent judgment that is in the interests of Invesco's clients.

Occasions may arise where a person or organization involved in the proxy voting process may have a conflict of interest. A conflict of interest may exist if Invesco has a business relationship with (or is actively soliciting business from) either the company soliciting the proxy or a third party that has a material interest in the outcome of a proxy vote or that is actively lobbying for a particular outcome of a proxy vote. Additional examples of situations where a conflict may exist include:

- Business Relationships – where Invesco manages money for a company or an employee group, manages pension assets or is actively soliciting any such business, or leases office space from a company;
- Personal Relationships – where an Invesco person has a personal relationship with other proponents of proxy proposals, participants in proxy contests, corporate directors, or candidates for directorships; and

- Familial Relationships – where an Invesco person has a known familial relationship relating to a company (e.g. a spouse or other relative who serves as a director of a public company or is employed by the company).

In the event that the UIT Proxy Committee determines that Invesco (or an affiliate) has a material conflict of interest, the UIT Proxy Committee will not take into consideration the relationship giving rise to the conflict of interest and shall, in its sole discretion, either (a) decide to vote the proxies pursuant to RiskMetrics' general proxy voting guidelines, or (b) engage an independent third party to provide a vote recommendation.

In the event an Invesco person has a conflict of interest and has knowledge of such conflict of interest, it is the responsibility of such Invesco person to disclose the conflict to the Chief Compliance Officer. When a UIT Proxy Committee meeting is called, the Chief Compliance Officer will report to the UIT Proxy Committee all real or potential conflicts of interest for the UIT Proxy Committee to review and determine whether such conflict is material. If the UIT Proxy Committee determines that such conflict is material and involves a person involved in the proxy voting process, the UIT Proxy Committee may require such person to recuse himself or herself from participating in the discussions regarding the proxy vote item and from casting a vote regarding how Invesco should vote such proxy. An Invesco person will not be considered to have a material conflict of interest if the Invesco person did not know of the conflict of interest and did not attempt to influence the outcome of a proxy vote.

In addition, members of the UIT Proxy Committee must notify Invesco's Chief Compliance Officer, with impunity and without fear of retribution or retaliation, of any direct, indirect or perceived improper influence exerted by any Invesco person or by an affiliated company's representatives with regard to how Invesco should vote proxies. The Chief Compliance Officer will investigate the allegations and will report his or her findings to the Invesco Risk Management Committee. In the event that it is determined that improper influence was exerted, the Risk Management Committee will determine the appropriate action to take, which actions may include, but are not limited to, (1) notifying the affiliated company's Chief Executive Officer, its Management Committee or Board of Directors, (2) taking remedial action, if necessary, to correct the result of any improper influence where clients have been harmed, or (3) notifying the appropriate regulatory agencies of the improper influence and cooperating fully with these regulatory agencies as required. In all cases, the UIT Proxy Committee shall not take into consideration the improper influence in determining how to vote proxies and will vote proxies solely in accordance with the terms and conditions of the UITs and in the best interests of clients.

### **Excerpt from Standard Terms and Conditions of Trust for Invesco Equity UITs**

(Does not apply to "trusts of funds")

*Section 3.11. Notice to Depositor.* In the event that the Trustee shall have been notified at any time of any action to be taken or proposed to be taken with respect to the Securities (including but not limited to the making of any demand, direction, request, giving of any notice, consent or waiver or the voting with respect to any amendment or supplement to any indenture,

resolution, agreement or other instrument under or pursuant to which the Securities have been issued) the Trustee shall promptly notify the Depositor and shall thereupon take such action or refrain from taking any action as the Depositor shall in writing direct; *provided, however*, that if the Depositor shall not within five Business Days of the giving of such notice to the Depositor direct the Trustee to take or refrain from taking any action, the Trustee shall take such action or refrain from taking any action, (i) so as to insure that the Equity Securities are voted as closely as possible in the same manner and the same general proportion, with respect to all issues, as are shares of such Equity Securities that are held by owners other than the Trust and (ii) as it, in its sole discretion, shall deem advisable with respect to the Zero Coupon Obligations.

In the event that an offer by the issuer of any of the Securities or any other party shall be made to issue new securities, or to exchange securities, for Trust Securities, the Trustee shall reject such offer. However, should any issuance, exchange or substitution be effected notwithstanding such rejection or without an initial offer, any securities, cash and/or property received shall be deposited hereunder and shall be promptly sold, if securities or property, by the Trustee unless the Depositor advises the Trustee to keep such securities, cash or properties. The cash received in such exchange and cash proceeds of any such sales shall, in the following priority, be (1) with respect to an Index Trust, reinvested, to the extent practicable, into any Securities which are under-represented in the Trust's portfolio in comparison to their weighting in the Trust's Target Index or (2) with respect to all Trusts, distributed to Unitholders in the manner set forth in Section 3.05. Without limiting the generality of the foregoing, in determining whether reinvestment is practicable with respect to an Index Trust, the Depositor may, but is not obligated to, specifically consider the ability of the Index Trust to reinvest such proceeds into round lots of a Security. The Trustee shall not be liable or responsible in any way for depreciation or loss incurred by reason of any such sale.

Neither the Depositor nor the Trustee shall be liable to any person for any action or failure to take action pursuant to the terms of this Section 3.11 other than failure to notify the Depositor.

#### Amendments to Section 3.11

If a Trust has elected to be treated as a "regulated investment company" as defined in the United States Internal Revenue Code of 1986, as amended, the first two sentences in the second paragraph of Section 3.11 of the Standard Terms and Conditions of Trust shall be replaced in their entirety by the following:

"In the event that the Trustee shall have been notified at any time of any action to be taken or proposed to be taken with respect to the Securities (including but not limited to the making of any demand, direction, request, giving of any notice, consent or waiver or the voting with respect to any amendment or supplement to any indenture, resolution, agreement or other instrument under or pursuant to which the Securities have been issued) the Trustee shall promptly notify the Depositor and shall thereupon take such action or refrain from taking any action, as appropriate, so as to insure that such Securities are voted as closely as possible in the same manner and the same general proportion, with respect to all issues, as are the shares of such Securities held by owners other than the Trust."

If a Trust holds shares of other registered investment companies, the first paragraph of Section 3.11 of the Standard Terms and Conditions of Trust shall be replaced in its entirety by the following:

“In the event that the Trustee shall have been notified at any time of any action to be taken or proposed to be taken with respect to the Securities (including but not limited to the making of any demand, direction, request, giving of any notice, consent or waiver or the voting with respect to any amendment or supplement to any indenture, resolution, agreement or other instrument under or pursuant to which the Securities have been issued) the Trustee shall promptly notify the Depositor and shall thereupon take such action or refrain from taking any action, as appropriate, so as to insure that such Securities are voted as closely as possible in the same manner and the same general proportion, with respect to all issues, as are the shares of such Securities held by owners other than the Trust.”