



## BulletShares® ETFs 2019 Maturity Update & FAQs

On Dec. 18, 2019, two more BulletShares® ETFs will mature and distribute their net assets to shareholders: The Invesco BulletShares 2019 Corporate Bond ETF (BSCJ) and BulletShares 2019 High Yield Corporate Bond ETF (BSJJ). These represented the 15th and 16th ETFs in the suite to successfully mature.

### The benefits of defined maturity ETFs

BulletShares ETFs combine the unique features of individual bonds with the cost<sup>1</sup> and tax efficiency<sup>2</sup> of ETFs. BulletShares ETFs encompass investment-grade bonds, high yield corporate bonds, emerging markets debt and municipal bonds, enabling investors to build customized portfolios tailored to specific maturity profiles, risk preferences, and investment goals.

Unlike traditional ETFs, which have a perpetual life, defined-maturity ETFs have a specified maturity date at which time the fund's net assets are returned to shareholders.<sup>3</sup> These proceeds may also be rolled over into other BulletShares ETFs or utilized in a ladder strategy to help manage interest rate risk.

BulletShares ETFs offer a high degree of flexibility, similar to an individual bond, but provide broader diversification<sup>4</sup> benefits that may not be easily obtained through individual bonds, allowing for portfolio customization to meet important lifestyle needs.

### Duration profile

As BSCJ and BSJJ approach maturity, their durations have moved from 3.38 (9.30.2015) to 0.12 (9.30.2019) and from 3.03 (9.30.2015) to 0.17 (9.30.2019), respectively. This drawdown helped to minimize the effects of interest rate volatility. In addition, the funds' weighted average bond prices moved toward par, \$100, without any adverse impact on the funds' net asset value (NAV).

### Invesco BulletShares 2019 Corporate Bond ETF (BSCJ)

Date	Duration to worst <sup>5</sup>	Total Distributions for this Period (US\$)	NAV (US\$)	Weighted Bond Average Price (US\$)
9/30/15	3.38	0.1079	21.06	107.47
12/31/2015	3.16	0.1028	20.82	105.69
3/31/2016	2.95	0.1112	21.17	106.19
6/30/2016	2.73	0.1040	21.35	106.25
9/30/2016	2.53	0.1014	21.33	105.18
12/30/2016	2.31	0.0943	21.08	103.22
3/31/2017	2.11	0.0953	21.17	102.66
6/30/2017	1.86	0.0910	21.19	102.25
9/29/2017	1.62	0.0911	21.21	102.46
12/29/2017	1.37	0.0908	21.06	101.41
3/30/2018	1.14	0.1143	20.97	100.49
6/29/2018	0.92	0.1002	21.00	100.18
9/28/2018	0.68	0.1214	21.03	100.10
12/31/18	0.47	0.1224	21.01	99.72
3/31/19	0.35	0.1118	21.08	99.84
6/30/19	0.24	0.1203	21.10	100.06
9/30/19	0.12	0.1236	21.10	99.90

### Invesco BulletShares 2019 High Yield Corporate Bond ETF (BSJJ)

Date	Duration to worst <sup>5</sup>	Total Distributions for this Period (US\$)	NAV (US\$)	Weighted Bond Average Price (US\$)
9/30/15	3.03	0.3152	23.53	99.16
12/31/2015	2.87	0.2989	22.79	97.24
3/31/2016	2.51	0.2954	23.08	94.92
6/30/2016	2.31	0.2963	23.63	97.25
9/30/2016	2.27	0.3152	24.17	101.23
12/30/2016	2.12	0.2866	24.08	100.89
3/31/2017	2.03	0.2889	24.43	103.68
6/30/2017	1.75	0.2732	24.58	103.92
9/29/2017	1.59	0.2663	24.64	105.22
12/29/2017	1.60	0.2567	24.33	105.13
3/30/2018	1.37	0.2825	24.27	102.25
6/29/2018	1.78	0.2588	24.21	102.91
9/28/2018	1.38	0.2813	24.24	102.97
12/31/18	1.52	0.2916	23.70	100.69
3/31/19	0.30	0.2674	24.02	102.38
6/30/19	0.18	0.2344	23.97	101.49
9/30/19	0.17	0.1872	23.95	100.92

<sup>1</sup> Since ordinary brokerage commissions apply for each buy and sell transaction, frequent trading activity may increase the cost of ETFs.

<sup>2</sup> Invesco does not offer tax advice. Please consult your tax adviser for information regarding your own personal tax situation.

<sup>3</sup> The fund did not seek to return any predetermined amount at maturity. In connection with such maturity, the fund will make a cash distribution to the current shareholders of its net assets after making appropriate provisions for any liabilities of the fund. The amount an investor receives may be worth more or less than the investor's original investment.

<sup>4</sup> Diversification does not guarantee a profit or eliminate the risk of loss.

<sup>5</sup> Duration to worst is the duration of a bond computed using the bond's nearest call date or maturity, whichever comes first. Duration is calculated in years and measures the sensitivity of the price (the value of principal) of a fixed income investment relative to a change in interest rates. The larger the duration number, the greater the interest rate risk for bond prices.

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## Frequently asked questions

### Important maturity information

The following is a schedule of important dates:

Date	Event
12.16.2019	Final day of trading
12.16.2019	Maturity distribution announcement date
12.18.2019	Maturity distribution effective date
12.18.2019	Maturity distribution payable date

**Why are BSCJ and BSJJ maturing?** Unlike traditional ETFs, which are meant to have a perpetual life, defined-maturity ETFs have a specified maturity date, similar to bonds. Each individual BulletShares ETF holds bonds that are expected to mature in a specified year – BSCJ's and BSJJ's specified maturity year was 2019. At maturity, the fund's net assets will be returned to shareholders.<sup>6</sup>

**When will BSCJ and BSJJ mature and cease trading?** BSCJ and BSJJ will cease trading on Dec. 16, 2019. Shareholders of record that day participate in the maturity distribution on Dec. 18, 2019. A complete schedule is listed.

**When will the proceeds be distributed?** Distributions will be made on or before Dec. 18, 2019. Investors must hold the ETF on the record date (Dec. 17, 2019) to be part of the distribution payment.

**How do investors receive their proceeds?** Investors will receive their proceeds in much the same way they receive distribution proceeds on a monthly basis. Proceeds will be delivered to broker/dealers via the Depository Trust Company (DTC). Broker/dealers will then place the proceeds in customer accounts.

**As the ETF approaches maturity, what happens to performance?** Performance should not be affected. As the funds approach maturity, their respective durations will move lower, helping to minimize portfolio volatility. Over this same time period, the weighted average bond price of each fund's portfolio should converge toward par (\$100), which should not adversely affect the NAV of the funds.

In the last six months of the ETF's maturity year, it is anticipated that the bonds in the portfolio will either mature or be called. Proceeds for these events will then be held either in cash or in cash equivalents such as US Treasury bills or commercial paper. During this period, the ETF's yield may be lower than when its portfolio was more fully composed of bonds.

**When do the individual bonds within the fund start to mature? How did that affect the fund?** For BSCJ, nearly all (99%) of the remaining bonds in the portfolio matured or will mature in 2019. The small number of bonds that represent the remaining value of the fund have call dates in 2019 and are anticipated to be called prior to the ETF's maturity. For BSJJ, less than a quarter of the bonds remaining in the 2019 index have maturity dates that extend beyond 2019. However, these bonds have call dates in 2019 and are anticipated to be called prior to maturity. If they are not called, the bonds will be sold at market prior to the ETF's maturity date. Proceeds from maturity, call or sale will be held either in cash or in short-term securities such as US Treasury bills or commercial paper.

Performance should not be affected. As the funds approach maturity, their respective durations will move lower, helping to minimize portfolio volatility. Over this same time period, the weighted average bond price of each fund's portfolio should converge toward par (\$100), which should not adversely impact the NAV of the funds.

**Can I re-invest my proceeds into another BulletShares target maturity ETF?**<sup>6</sup> Yes. BulletShares ETFs provide flexibility and convenience in managing fixed income exposure. As your 2019 BulletShares ETFs mature, you may want to consult with an advisor and have the distribution proceeds invested in a BulletShares ETF in a subsequent maturity year. BulletShares offer a variety of maturities ranging from 2019 to 2029 depending on your needs. The following list details each of the available BulletShares ETFs.

<sup>6</sup> The funds do not seek to return any predetermined amount at maturity. In connection with such maturity, the funds will make a cash distribution to the current shareholders of its net assets after making appropriate provisions for any liabilities of the funds. The amount an investor receives may be worth more or less than the investor's original investment.

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**BulletShares® Corporate Bond ETFs - Total expense ratio: 0.10%**

Invesco BulletShares 2020 Corporate Bond ETF	BSCK
Invesco BulletShares 2021 Corporate Bond ETF	BSCL
Invesco BulletShares 2022 Corporate Bond ETF	BSCM
Invesco BulletShares 2023 Corporate Bond ETF	BSCN
Invesco BulletShares 2024 Corporate Bond ETF	BSCO
Invesco BulletShares 2025 Corporate Bond ETF	BSCP
Invesco BulletShares 2026 Corporate Bond ETF	BSCQ
Invesco BulletShares 2027 Corporate Bond ETF	BSCR
Invesco BulletShares 2028 Corporate Bond ETF	BSCS
Invesco BulletShares 2029 Corporate Bond ETF	BSCT

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**BulletShares® High Yield Corporate Bond ETFs - Total expense ratio: 0.42%**

Invesco BulletShares 2020 High Yield Corporate Bond ETF	BSJK
Invesco BulletShares 2021 High Yield Corporate Bond ETF	BSJL
Invesco BulletShares 2022 High Yield Corporate Bond ETF	BSJM
Invesco BulletShares 2023 High Yield Corporate Bond ETF	BSJN
Invesco BulletShares 2024 High Yield Corporate Bond ETF	BSJO
Invesco BulletShares 2025 High Yield Corporate Bond ETF	BSJP
Invesco BulletShares 2026 High Yield Corporate Bond ETF	BSJQ
Invesco BulletShares 2027 High Yield Corporate Bond ETF	BSJR

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**BulletShares® Emerging Markets Debt ETFs - Total expense ratio: 0.29%**

Invesco BulletShares 2021 USD Emerging Markets Debt ETF	BSAE
Invesco BulletShares 2022 USD Emerging Markets Debt ETF	BSBE
Invesco BulletShares 2023 USD Emerging Markets Debt ETF	BSCE
Invesco BulletShares 2024 USD Emerging Markets Debt ETF	BSDE

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**BulletShares® Municipal Bond ETFs - Total expense ratio: 0.18%**

Invesco BulletShares 2021 Municipal Bond ETF	BSML
Invesco BulletShares 2022 Municipal Bond ETF	BSMM
Invesco BulletShares 2023 Municipal Bond ETF	BSMN
Invesco BulletShares 2024 Municipal Bond ETF	BSMO
Invesco BulletShares 2025 Municipal Bond ETF	BSMP
Invesco BulletShares 2026 Municipal Bond ETF	BSMQ
Invesco BulletShares 2027 Municipal Bond ETF	BSMR
Invesco BulletShares 2028 Municipal Bond ETF	BSMS
Invesco BulletShares 2029 Municipal Bond ETF	BSMT

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**Will you launch additional BulletShares maturities?** Invesco currently offers a line-up of 31 BulletShares® ETFs comprising investment grade bonds, high yield corporate bonds, emerging markets debt and municipal bonds with maturity dates that range from 2019 through 2029. We will explore adding additional maturity dates based on market demand.

**What are the tax implications?** An ETF that has matured is treated as a sale for tax reporting purposes. Investors should consult their tax advisor for more complete information on their individual situation.

**Can I sell a BulletShares ETF near the end of the year to avoid the liquidation?** While BulletShares ETFs are liquid and can be sold until the last day of trading, investors should carefully consider the consequences of selling ETFs during the last week before maturity. Any trades made in the secondary market after December 12 will not settle prior to the ETF's last day of trading. This may delay distribution of the proceeds to anyone buying shares in the interval from December 12<sup>th</sup>, through December 16<sup>th</sup>, as anyone purchasing shares on the secondary market during that interval will not be a shareholder of record as of the close of business December 16<sup>th</sup>. In addition, trading costs will be incurred for what is essentially a cash portfolio due to the liquidation of the underlying holdings prior to the ETF's maturity. It may be prudent to await liquidating distributions to avoid trading costs and a delay in receiving proceeds.

## For More Information:

Financial Advisors  
800.983.0903

Registered Investment  
Advisors and Institutions  
866.406.5693

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## Help keep your fixed income goals on target with BulletShares

To learn more about the entire family of BulletShares ETFs, visit us online at [invesco.com/bulletshares](https://www.invesco.com/bulletshares).

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### About Invesco

Invesco offers investors a broad range of ETFs – domestic and international equity, fixed income, and currency – to provide the core building blocks for portfolios, access to hard-to-reach market segments, as well as targeted investment choices. With a history of purposeful innovation, including many industry “firsts,” Invesco delivers what we believe are distinct and relevant strategies for institutional investors, private wealth advisors, and the clients they serve.

**Duration** is a measure of the sensitivity of the price (the value of principal) of a fixed income investment to a change in interest rates. Duration is expressed as a number of years.

### BulletShares ETFs

There are risks involved with investing in ETFs, including possible loss of money. Shares are not actively managed and are subject to risks similar to those of stocks, including those regarding short selling and margin maintenance requirements. Ordinary brokerage commissions apply. The funds' return may not match the return of the underlying index. The funds are subject to certain other risks. Please see the current prospectus for more information regarding the risk associated with an investment in the funds.

Investments focused in a particular sector are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments.

The funds are non-diversified and may experience greater volatility than a more diversified investment.

Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa.

During the final year of the funds' operations, as the bonds mature and the portfolio transitions to cash and cash equivalents, the funds' yield will generally tend to move toward the yield of cash and cash equivalents and thus may be lower than the yields of the bonds previously held by the funds and/or bonds in the market.

If interest rates fall, it is possible that issuers of callable securities will call or prepay their securities before maturity, causing the Fund to reinvest proceeds in securities bearing lower interest rates and reducing the Fund's income and distributions.

An issuer may be unable or unwilling to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer's credit rating.

Income generated from the funds is based primarily on prevailing interest rates, which can vary widely over the short- and long-term. If interest rates drop, the funds' income may drop as well. During periods of rising interest rates, an issuer may exercise its right to pay principal on an obligation later than expected, resulting in a decrease in the value of the obligation and in a decline in the funds' income.

An issuer's ability to prepay principal prior to maturity can limit the funds' potential gains. Prepayments may require the funds to replace the loan or debt security with a lower yielding security, adversely affecting the funds' yield.

The funds currently intend to effect creations and redemptions principally for cash, rather than principally in-kind because of the nature of the funds' investments. As such, investments in the funds may be less tax efficient than investments in ETFs that create and redeem in-kind.

Unlike a direct investment in bonds, the funds' income distributions will vary over time and the breakdown of returns between fund distributions and liquidation proceeds are not predictable at the time of investment. For example, at times the funds may make distributions at a greater (or lesser) rate than the coupon payments received, which will result in the funds returning a lesser (or greater) amount on liquidation than would otherwise be the case. The rate of fund distribution payments may affect the tax characterization of returns, and the amount received as liquidation proceeds upon fund termination may result in a gain or loss for tax purposes.

During periods of reduced market liquidity or in the absence of readily available market quotations for the holdings of the fund, the ability of the fund to value its holdings becomes more difficult and the judgment of the sub-adviser may play a greater role in the valuation of the fund's holdings due to reduced availability of reliable objective pricing data.

The funds' use of a representative sampling approach will result in its holding a smaller number of securities than are in the underlying Index, and may be subject to greater volatility.

### BulletShares High Yield ETFs

The values of junk bonds fluctuate more than those of high quality bonds and can decline significantly over short time periods.

The risks of investing in securities of foreign issuers, including emerging market issuers, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

### BulletShares Emerging Markets ETFs

The risks of investing in securities of foreign issuers, including emerging market issuers, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

Non-investment grade securities may be subject to greater price volatility due to specific corporate developments, interest-rate sensitivity, negative perceptions of the market, adverse economic and competitive industry conditions and decreased market liquidity.

The funds may invest in privately issued securities, including 144A securities which are restricted (i.e. not publicly traded). The liquidity market for Rule 144A securities may vary, as a result, delay or difficulty in selling such securities may result in a loss to the fund.

The funds may hold illiquid securities that it may be unable to sell at the preferred time or price and could lose its entire investment in such securities.

Government obligors in emerging market countries are among the world's largest debtors to commercial banks, other governments, international financial organizations and other financial instruments. Issuers of sovereign debt or the governmental authorities that control repayment may be unable or unwilling to repay principal or interest when due, and the fund may have limited recourse in the event of default. Without debt holder approval, some governmental debtors may be able to reschedule or restructure their debt payments or declare moratoria on payments.

### BulletShares Municipal ETFs

Municipal securities are subject to the risk that legislative or economic conditions could affect an issuer's ability to make payments of principal and/or interest.

Shares are not individually redeemable and owners of the shares may acquire those shares from the fund and tender those shares for redemption to the fund in creation unit aggregations only, typically consisting of 100,000 or 150,000 shares.

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial advisor/financial consultant before making any investment decisions.

***Before investing, investors should carefully read the prospectus/summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund call 800.983.0903 or visit [invesco.com](https://www.invesco.com) for the prospectus/summary prospectus.***

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