



## INFORMATION CIRCULAR: Invesco BulletShares 2030 Corporate Bond ETF; Invesco BulletShares 2028 High Yield Corporate Bond ETF; Invesco BulletShares 2030 Municipal Bond ETF

---

**TO:** Head Traders, Technical Contacts, Compliance Officers, Heads of ETF Trading, Structured Products Traders  
**FROM:** BX / PHLX Listing Qualifications Department  
**DATE:** 9/11/2020

---

EXCHANGE-TRADED FUND	SYMBOL	CUSIP #
Invesco BulletShares 2030 Corporate Bond ETF	BSCU	46138J460
Invesco BulletShares 2028 High Yield Corporate Bond ETF	BSJS	46138J452
Invesco BulletShares 2030 Municipal Bond ETF	BSMU	46138J445

Compliance and supervisory personnel should note that, among other things, this Information Bulletin discusses rules related to suitability of recommending transactions in the shares (“Shares”) of the Fund to customers. Please forward this information Bulletin to other interested persons within your organization.

### BACKGROUND INFORMATION ON THE FUND

The Invesco Exchange-Traded Self-Indexed Fund Trust (the “Trust”) is a management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”), consisting of several investment portfolios. This circular relates only to the Funds listed above (each, a “Fund” and together, the “Funds”). The shares of the Fund are referred to herein as “Shares.”

#### Invesco BulletShares 2030 Corporate Bond ETF

The Fund seeks to provide investment results that, before fees and expenses, correspond generally to the total return performance of the Nasdaq BulletShares USD Corporate Bond 2030 Index (the “Index”).

#### Invesco BulletShares 2028 High Yield Corporate Bond ETF

The Fund seeks to provide investment results that, before fees and expenses, correspond generally to the total return performance of the Nasdaq BulletShares USD High Yield Corporate Bond 2028 Index (the “Index”).

#### Invesco BulletShares 2030 Municipal Bond ETF

The Fund seeks to provide investment results that, before fees and expenses, correspond generally to the total return performance of the Invesco BulletShares Municipal Bond 2030 Index (the “Index”).

Please read the Funds’ prospectus for more information regarding its investment objectives.

As described more fully in the Trust’s prospectus and Statement of Additional Information, the Fund will issue and redeem Shares on a continuous basis at their net asset value (“NAV”) only in large blocks of Shares called a “Creation Unit”, or multiples thereof (typically 20,000 to 100,000 Shares). Creation Units will be issued and

redeemed principally in-kind for securities included in the underlying index. Except when aggregated in Creation Units, the Shares may not be redeemed with the Funds.

Shares are held in book-entry form, which means that no Share certificates are issued. The Depository Trust Company or its nominee is the record owner of all outstanding Shares of the Funds and is recognized as the owner of all Shares for all purposes.

The NAV per Share for the Fund is computed by dividing the value of the net assets of the Fund (i.e., the value of its total assets less total liabilities) by the total number of Shares outstanding. Expenses and fees are accrued daily and taken into account for purposes of determining NAV. The NAV of each Fund is determined each business day after the close of trading (ordinarily 4:00 p.m., Eastern Time or "ET") of the New York Stock Exchange. Any assets or liabilities denominated in currencies other than the U.S. dollar are converted into U.S. dollars at the current market rates on the date of valuation as quoted by one or more sources. A major market data vendor will disseminate the Intraday Indicative Value (IIV) for the Shares of the fund through regular trading hours.

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

#### **PRINCIPAL RISKS**

Interested persons are referred to the discussion in the prospectus for the Funds of the principal risks of an investment in the Funds. These may include, but are not limited to, asset class risk, authorized participant concentration risk, concentration risk, currency risk, cyber security risk, equity securities risk, fluctuation of net asset value risk (NAV), index risk, industry/sector risk, issuer risk, management risk, market maker risk, market risk, market trading risk, non-correlation risk, non-diversification risk, passive investment risk, replication management risk, securities lending risk, tracking error risk, trading issues risk, and valuation risk.

In addition, the market prices of the Shares will fluctuate in accordance with changes in NAV as well as the supply and demand for the Shares. As a result, the Shares may trade at market prices that may differ from their NAV. The NAV of the Shares of the Fund will fluctuate with changes in the market value of the Funds' holdings.

#### **EXCHANGE RULES APPLICABLE TO TRADING IN THE SHARES**

Trading of the Shares on BX is on a UTP basis and is subject to BX equity trading rules. Trading of the Shares on PHLX's PSX system ("PSX") is on a UTP basis and is subject to PHLX rules.

#### **TRADING HOURS**

The values of each index underlying the Shares are disseminated to data vendors every 15 seconds, 60 seconds or once per day, as applicable. The Shares will trade on BX between 8:00 a.m. and 7:00 p.m. ET. The Shares will trade on PSX between 9:00 a.m. and 5:00 p.m. ET. For trading during each market's pre-market and post-market sessions, market participants should note that additional risks may exist with respect to trading the Funds during these sessions, when the underlying index's values, intraday indicative value, or similar value may not be disseminated or calculated.

#### **DISSEMINATION OF FUND DATA**

The Consolidated Tape Association will disseminate real time trade and quote information for the Funds to Tape B.

Fund Name	Listing Market	Trading Symbol	NAV Symbol
Invesco BulletShares 2030 Corporate Bond ETF	NNM	BSCU	BSCU.NV
Invesco BulletShares 2028 High Yield Corporate Bond ETF	NNM	BSJS	BSJS.NV
Invesco BulletShares 2030 Municipal Bond ETF	NNM	BSMU	BSMU.NV

## SUITABILITY

Trading in the Shares on BX will be subject to the provisions of BX Equity Rule 2310. Trading in the Shares on PSX will be subject to the provisions of PHLX Rule 763. Members and member organizations recommending transactions in the Shares to customers should make a determination that the recommendation is suitable for the customer. In addition, members must possess sufficient information to satisfy the “know your customer” obligation that is embedded in the BX Conduct Rules.

BX members and PHLX members and member organizations should also review NASD Notice to Members 03-71 for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

## TRADING HALTS

BX will halt trading in the Shares of a Fund in accordance with BX Equity Rule 4120. PHLX will halt trading in the Shares of a Fund in accordance with PHLX Rule 3100. The grounds for a halt under these rules include a halt by the primary market because the intraday indicative value of the Fund, the value of its underlying index, or a similar value are not being disseminated as required, or a halt for other regulatory reasons. In addition, BX and PHLX will also stop trading the Shares of a Fund if the primary market delists the Fund.

## DELIVERY OF A PROSPECTUS

BX members and PHLX members and member organizations should be mindful of applicable prospectus delivery requirements under the federal securities laws with respect to transactions in the Funds.

Prospectuses may be obtained through the Funds’ website. The prospectus for the Funds does not contain all of the information set forth in the Funds’ registration statement (including the exhibits to the registration statement), parts of which have been omitted in accordance with the rules and regulations of the Securities and Exchange Commission (“SEC”). For further information about the Fund, please refer to the registration statement.

In the event that the Fund relies upon an order by the SEC exempting the Shares from certain prospectus delivery requirements under Section 24(d) of the 1940 Act and in the future make available a written product description, BX Equity Rules 4420 and 4421, and PHLX Rule 803 require that members and member organizations, respectively, provide to all purchasers of Shares a written description of the terms and characteristics of such securities, in a form prepared by the Trust for the Funds, no later than the time a confirmation of the first transaction in the Shares is delivered to such purchaser. In addition, members and

member organizations shall include such a written description with any sales material relating to the Shares that is provided to customers or the public. Any other written materials provided by members or member organizations to customers or the public making specific reference to the Shares as an investment vehicle must include a statement in substantially the following form: “A circular describing the terms and characteristics of the Shares of the Fund has been prepared by the Trust and is available from your broker. It is recommended that you obtain and review such circular before purchasing Shares of the Fund. In addition, upon request you may obtain from your broker a prospectus for Shares of the Fund.”

BX or PHLX member or member organization carrying an omnibus account for a non-member broker-dealer is required to inform such non-member that execution of an order to purchase Shares for such omnibus account will be deemed to constitute agreement by the non-member to make such written description available to its customers on the same terms as are directly applicable to BX members and PHLX members or member organizations under this rule.

Upon request of a customer, BX members and PHLX members or member organizations shall provide a copy of the prospectus.

### **EXEMPTIVE, INTERPRETIVE AND NO-ACTION RELIEF UNDER FEDERAL SECURITIES REGULATIONS**

The Funds are subject to the conditions of SEC Rule 6c-11 under the Investment Company Act of 1940 (“Rule 6c-11”). In conjunction with the approval of Rule 6c-11, pursuant to an [Approval Order](#) dated October 24, 2019 (the “Approval Order”), the SEC provided exemptions from certain provisions the Securities Exchange Act of 1934 (the “Act”) related to transactions in exchange-traded funds that are eligible to operate under SEC Rule 6c-11 that, in certain cases, meet the diversification requirements for regulated investment companies set by the Internal Revenue Code (“IRC”) Sec. 851(b)(3)(B).

#### Regulation M Exemptions

Generally, Rules 101 and 102 of Regulation M prohibit any “distribution participant” and its “affiliated purchasers” from bidding for, purchasing, or attempting to induce any person to bid for or purchase any security which is the subject of a distribution until after the applicable restricted period, except as specifically permitted in Regulation M. The provisions of the Rules apply to underwriters, prospective underwriters, brokers, dealers, and other persons who have agreed to participate or are participating in a distribution of securities.

According to Rule 6c-11, exchange-traded funds are considered “redeemable securities” and are therefore eligible for the exceptions in rules 101(c)(4) and 102(d)(4) of Regulation M.

#### Customer Confirmations for Creation or Redemption of Fund Shares (SEC Rule 10b-10)

The Approval Order includes an exemption from Rule 10b-10 that permits broker-dealers who handle purchases or redemptions of Fund Shares in Creation Unit size for customers to provide such customers with a statement of the number of Creation Unit Aggregations created or redeemed without providing a statement of the identity, number and price of shares of the individual securities tendered to a Fund for purposes of purchasing Creation Unit Aggregations (“Deposit Securities”) or the identity, number and price of shares to be delivered by the Trust for the Funds to the redeeming holder (“Redemption Securities”). The composition of the securities required to be tendered to the Funds for creation purposes and of the securities to be delivered on redemption will be disseminated each business day and will be applicable to requests for creations or redemption, as the case may be, on that day. This exemptive relief under Rule 10b-10 with respect to creations and redemptions is subject to the following conditions: Confirmations to customers engaging in creations or redemptions must state that all information required by Rule 10b-10 will be provided upon request;

1. Confirmations to customers engaging in creations or redemptions must state that all information required by Rule 10b-10 will be provided upon request;
2. Any such request by a customer for information required by Rule 10b-10 will be filed in a timely manner, in accordance with Rule 10b-10(c);
3. Except for the identity, number and price of shares of the component securities of the Deposit Securities and Redemption Securities, as described above, confirmations to customers must disclose all other information required by Rule 10b-10(a).

#### SEC Rule 14e-5

An exemption from Rule 14e-5 has been granted to permit any person acting as a dealer-manager of a tender Pursuant to the Approval Order, the SEC granted a conditional exemption from rule 14e-5 to an ETF, the legal entity of which the ETF is a series, and authorized participants and any other persons who create and redeem shares of the ETF in creation units pursuant to contractual arrangements pertaining to such legal entity and the ETF, and who are covered persons with respect to a tender offer involving an ETF's component securities. The conditional exemption will allow such persons (i) to redeem ETF shares in creation unit sizes for a redemption basket that may include a subject security or related security, (ii) to engage in secondary market transactions with respect to the ETF shares after the first public announcement of the tender offer and during such tender offer given that such transactions could include, or be deemed to include, purchases of, or arrangements to purchase, subject securities or related securities, and (iii) make purchases of, or arrangements to purchase, subject securities or related securities in the secondary market for the purpose of transferring such securities to purchase one or more creation units of ETF shares.

1. The exemption from rule 14e-5 is subject to the following conditions:
2. no purchases of subject securities or related securities made by broker-dealers acting as dealer-managers of a tender offer would be effected for the purpose of facilitating a tender offer;
3. if there is a change in the composition of a ETF's portfolio of component securities and a broker-dealer acting as a dealer-manager of a tender offer is unable to rely on the exception found in rule 14e-5(b)(5) for basket transactions because (i) the basket of subject securities or related securities contains fewer than 20 securities or (ii) the subject securities and related securities make up more than 5% of the value of the basket, then any purchases of an ETF component security by such dealer-manager during a tender offer will be effected for the purpose of adjusting a basket of securities in the ordinary course of its business and not for the purpose of facilitating a tender offer; and
4. except for the relief specifically granted herein, any broker-dealer acting as a dealer manager of a tender offer will comply with rule 14e-5.

#### Section 11(d)(1); SEC Rules 11d-1 and 11d1-2

Pursuant to the Approval Order, the SEC granted exemption from the new issue lending restriction in section 11(d)(1) for a Broker-Dealer AP that extends or maintains credit, or arranges for the extension or maintenance of credit, on ETF shares subject to the following two conditions:

1. Neither the Broker-Dealer AP, nor any natural person associated with such Broker-Dealer AP, directly or indirectly (including through any affiliate of such Broker-Dealer AP), receives from the "Fund Complex" any payment, compensation, or other economic incentive to promote or sell the shares of the ETF to persons outside the fund complex, other than non-cash compensation currently permitted under Financial Industry and Regulatory Authority ("FINRA") rule 2341(l)(5)(A), (B), or (C) ("non-cash compensation").
2. The Broker-Dealer AP does not extend, maintain or arrange for the extension or maintenance of credit to or for a customer on shares of the ETF before thirty days have passed from the date that the ETF's shares initially commence trading (except to the extent that such extension, maintenance, or arranging of credit is otherwise permitted pursuant to rule 11d1-1).

Rule 6c-11 also provides that exchange-traded funds are eligible for the exemptions provided in rule 11d1-2.

SEC Rule 15c1-5 and 15c1-6

Pursuant to the Approval Order, the SEC granted a conditional exemption from Exchange Act rules 15c1-5 and 15c1-6 that will allow a broker-dealer that is effecting an in-kind creation or redemption transaction on behalf of a customer to effect that transaction without providing disclosure regarding a control relationship with an issuer or participation in a distribution of a component security tendered to or delivered by the ETF.

**This Information Circular is not a statutory prospectus. BX members and PHLX members and member organizations should consult the Funds' prospectus and/or the Funds' website for relevant information**

---

Inquiries regarding this Information Circular should be directed to:

- Ben Haskell, Listing Qualifications, at 301.978.8092
- BX / PSX Market Sales, at 800.846.0477