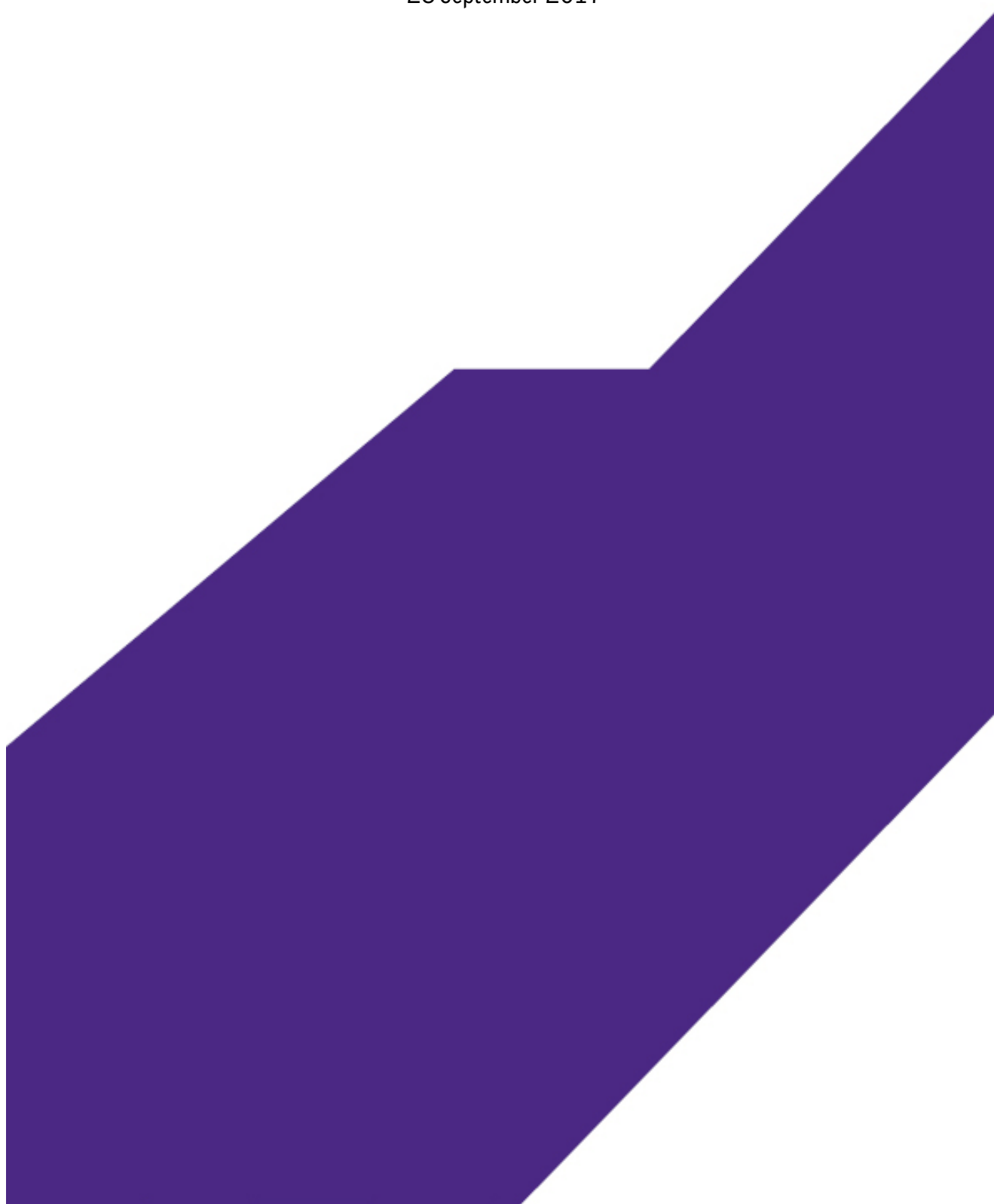




# **Invesco Wholesale Global Targeted Returns Fund - Class A**

Product Disclosure Statement

28 September 2017



# Invesco Wholesale Global Targeted Returns Fund - Class A

PDS Date: 28/09/2017

ARSN: 603 987 015

APIR: GTU0109AU

This Product Disclosure Statement ('PDS') dated 28 September 2017 is issued by Invesco Australia Limited ABN 48 001 693 232 (referred to as 'Invesco', 'Responsible Entity', 'we', or 'us').

**Invesco is the Responsible Entity of the Invesco Wholesale Global Targeted Returns Fund ('the Fund'). The Fund is a registered managed investment scheme and its ARSN is 603 987 015. Invesco holds an Australian Financial Services Licence No. 239916**

The Fund has different classes of units. This PDS relates to Class A units only. The APIR code for Class A is GTU0109AU. Under the Fund's Constitution, the different unit classes may have different management fees, expenses, distributions and performance. Investors in units other than Class A units will not be able to invest through this PDS. They will be required to invest through a separate offer document relevant to that unit class. Holders of different classes of units will be treated fairly.

This PDS is for the offer of Class A units ('Units') in the Fund. The offer to which it relates is only available to persons receiving a copy of this PDS (electronically or otherwise) within Australia. The Units offered in the PDS cannot be offered or sold within the US, sold to, or for the account of or benefit of 'US persons' (as defined in the Regulation S of the US Securities Act 1933).

Invesco authorises the use of this PDS as disclosure to investors or prospective investors investing through:

- an Investor Directed Portfolio Service - such as a master trust, wrap account or platform ('IDPS'), and
- the mFund settlement service ('mFund') - a service operated by the ASX, where transactions are processed through a stockbroker.

**mFund is a settlement service of the ASX that allows you to apply for or redeem units in the Fund. The Fund is unlisted, and cannot be traded like other ASX listed securities. You will be able to buy and sell units in a product as and when that product is accepted into mFund by ASX and while the product remains part of mFund. For more information about mFund, please visit [www.invesco.com.au](http://www.invesco.com.au).**

The information contained in this PDS can change, and the PDS may be updated or replaced from time to time. Unless the changed information is materially adverse to you, we may not always update or replace this PDS to reflect the changed information. To obtain a copy of the current PDS (free of charge) or to find out about any up-to-date information not contained in this PDS, please contact your IDPS operator, (for indirect investors), your financial adviser, or call us on freecall 1800 813 500, email us at [info@au.invesco.com](mailto:info@au.invesco.com) or visit our website at [www.invesco.com.au](http://www.invesco.com.au). A paper copy of any updated information will be sent to you free of charge on request.

The PDS contains general information only and does not take into account your individual objectives, taxation position, financial situation or needs. You should assess whether the information is appropriate for you and consider obtaining independent taxation, legal, financial or other professional advice before making an investment decision.

'Business Day' means a day on which banks are open for business in Melbourne but excluding a Saturday, Sunday, public holiday, or such other day as we may determine from time to time.

Unless otherwise specified, all dollar amounts in this PDS are in Australian dollars.

**An investment in the Fund is subject to investment risk, including loss of income and capital invested. Neither Invesco nor any other member of the Invesco Ltd group of companies guarantees the repayment of capital, the payment of income, or the performance of the Fund. Furthermore, Invesco does not guarantee that the Fund will achieve its investment objective.**

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# 1. Fund Snapshot

Fund details		Section
Name of Fund	Invesco Wholesale Global Targeted Returns Fund	
ARSN	603 987 015	
APIR	GTU0109AU	
Investment objective	The Invesco Wholesale Global Targeted Returns Fund aims to achieve a positive total return in all market conditions, targeting a gross return of 5% p.a. above the Bloomberg Ausbond Bank Bill Index with less than half the volatility of global equities (referencing the MSCI World Index) over rolling three-year periods.	Sections 4 and 5
Underlying Fund	The Invesco Wholesale Global Targeted Returns Fund ('the Fund') invests in the Invesco Global Targeted Returns Fund - Class I (distributing) a sub-fund of Invesco Funds, SICAV, that is hedged in Australian Dollars ('Underlying Fund').	Section 4
Risk	There are risks associated with investing in the Fund. Some of these risks and how these risks are managed are set out in this PDS. You should obtain professional advice before deciding to invest in the Fund.	Section 5
Recommended investment timeframe	The minimum suggested investment period for the Fund is at least 3-5 years. We recommend that you consider, with your financial adviser, the suggested investment period for the Fund in relation to your own investment timeframe.	
Minimum initial investment	\$20,000	Section 8
Minimum additional investment	\$500	Section 8
Minimum withdrawal	None - minimum balance of \$20,000 must be maintained	Section 8
Timing of Transactions	If we accept your valid instruction before 2:30pm AEDT on a Business Day, units will generally be issued (or withdrawn) at the unit price applicable on that day.	Section 8
Distribution Frequency	Annually - as at June 30	Section 8
Valuation Frequency	Daily	
Unit Pricing	Daily	Section 8
Access to Funds	Will generally be paid within 10 Business Days of receipt of a valid withdrawal request.	Section 8
Management Cost	0.95% per annum of net asset value of the Fund	Section 6
Contribution Fee	Nil	Section 6
Establishment / Termination Fee	Nil	Section 6
Buy / Sell Spread	0.30% (Buy) / 0.30% (Sell)	Section 6
Available through mFund	Yes	Section 8

## 2. Fund Disclosure

This section summarises some important aspects of this Fund, based on ASIC guidelines. You should however read the entire PDS and seek professional advice before making any investment decision.

Fund Disclosure	Description	Further Information
<b>Disclosure Benchmarks</b>		
Valuation of Assets	We meet this benchmark, as we have in place a policy that requires valuations of the Fund assets that are not exchange traded, to be provided by an independent administrator. We have appointed an independent administrator, JPMorgan Chase Bank N.A. ('J.P. Morgan'), to price the Fund's assets. The Underlying Fund also has a policy that requires valuations of its assets to be provided by an independent administrator, being Bank of New York Mellon (International) S.A.	Section 4
Periodic Reporting	We meet this benchmark, as we have in place a policy to provide periodic reports on key information in relation to the Fund, as well as in relation to the Underlying Fund (where relevant): <ul style="list-style-type: none"> <li>▪ Annual Reporting; and</li> <li>▪ Monthly and Quarterly updates</li> </ul> All Fund information is available at <a href="http://www.invesco.com.au">www.invesco.com.au</a>	Section 9
<b>Disclosure Principles</b>		
What we invest in	The Fund invests in: <ul style="list-style-type: none"> <li>▪ Multi Asset Classes (the Underlying Fund) 95 - 100%</li> <li>▪ Cash 0 - 5%</li> </ul> The Underlying Fund may invest in: equities, equity related securities, debt securities (including those issued by corporate bodies, governments and/or supranational institutions), real estate investment trusts (REITs), units of UCITS and/or other UCIs (including but not limited to exchange traded funds), cash and cash equivalents, money market instruments and any other eligible instrument which could include indirect exposure to commodities.	Sections 4 and 5
Who is responsible	<b>Responsible Entity:</b> Invesco Australia Limited <b>Custodian and Administrator:</b> J.P. Morgan <b>Investment Manager (Underlying Fund):</b> Invesco Asset Management Limited	Section 3
Fund Structure	<b>The Fund</b> - is a registered Australian managed investment scheme and is regulated under the Corporations Act. <b>Underlying Fund</b> - is a Luxembourg domiciled SICAV regulated by the Commission De Surveillance Du Secteur Financier.	Sections 4 and 6
Valuation, location and custody of assets	Unit price calculation is undertaken by J.P. Morgan. <b>The Fund</b> - assets are held by its custodian: J.P. Morgan. <b>Underlying Fund</b> - assets are held by its custodian: the Bank of New York Mellon (International) S.A in Luxembourg.	Sections 4 and 8
Liquidity	Applications and withdrawals are generally processed on any Business Day. The vast majority of investments of the Underlying Fund will be held in cash, debt securities, investments in liquid UCITS funds and exchange traded and OTC derivative instruments and Invesco expects such investments can be liquidated within 30 days in the ordinary course.	Sections 4, 5 and 8

Fund Disclosure	Description	Further
Borrowing and Leverage	<p>The Fund and Underlying Fund may borrow on a secured or unsecured basis for any purpose up to 10% of the net asset value of that Fund. At present both the Fund and Underlying Fund intend that any such borrowing will be effected only on a temporary basis.</p> <p>The Underlying Fund's use of financial derivative instruments ('Derivatives') will create leverage and the Underlying Fund's overall exposure will exceed its net assets. The level of leverage under normal market circumstances is typically expected to amount to between 100% to 350%.</p>	Sections 4 and 5
Derivatives and structured products	<p>Derivatives are not used in the Fund.</p> <p>The Underlying Fund's use of Derivatives may include but is not limited to exchange traded or OTC derivatives on currencies, interest rates, credit, commodity indices, other eligible indices or equities. These Derivatives may include (but are not limited to) credit default swaps, total return swaps, swaps, forwards, futures and options.</p>	Sections 4 and 5
Short selling	<p>The Fund does not take short positions.</p> <p>The Underlying Fund's exposure to the major asset classes can be taken via long and short positions, both directly and indirectly. All short positions will be taken via the use of Derivatives.</p>	Sections 4 and 5
Withdrawals	<p>Generally, within 10 Business Days of receiving your valid withdrawal request</p> <p>The Constitution allows us up to 45 days to determine whether to accept a withdrawal request and allows us to make payment up to 21 days after acceptance of a valid withdrawal request.</p> <p>The Underlying Fund may limit the total number of shares in the Underlying Fund which may be redeemed on any business day to a number representing 10% of the net asset value of the Underlying Fund.</p>	Section 8

## 3. Who is managing the Fund

### About the Responsible Entity

Invesco Australia is the Responsible Entity of the Fund and as such is responsible for managing the investments of the Fund and overseeing its operational functions.

Invesco Ltd. is one of the world's leading specialist investment managers. The firm has funds under management of more than US\$900 billion globally (as at 31 August 2017) and operates in over 20 countries. Invesco is listed on the New York Stock Exchange under the symbol 'IVZ'.

Invesco Ltd. has more than 6,800 staff including 670-plus investment professionals managing a broad array of specialised investment strategies - ranging from major equity, fixed income, and property assets to alternative assets such as direct real estate, bank loans, multi strategy, private equity and commodities. These capabilities are delivered through numerous investment centres worldwide designed around distinctive asset classes, styles or regional expertise.

In Australia, Invesco has been managing and/or distributing investment portfolios for more than 20 years. Headquartered in Melbourne, our investment capabilities include Australian equities (quantitative large cap long-only and long/short; fundamental small cap); fixed income (senior secured loans); global equities (fundamental high conviction); alternatives (multi asset; direct property); and listed property.

As the Responsible Entity of the Fund in charge of its overall operation and management, we are guided by the investment objective and strategy we have set for the Fund, by its governing constitution, and by our duties under the Corporations Act.

### About the Investment Manager

#### Invesco Asset Management Limited

Invesco Asset Management Limited ('IAM' or the 'Investment Manager') also forms part of Invesco Ltd, and is located in Perpetual Park in Henley-on-Thames in the United Kingdom. IAM is the investment manager for the Underlying Fund.

IAM's Multi Asset team, being located at Invesco Perpetual's world class investment centre, leverages the cross-asset class expertise of the likeminded investment professionals that surround them as well as Invesco group's global and local investment expertise. The Multi Asset team do not manage any strategies other than the Global Targeted Returns strategy.

As at the date of this PDS, the key person involved in managing the Underlying Fund is David Millar.

#### David Millar

#### Head of Multi Asset and Fund Manager

Based in Henley-on-Thames, David joined the company in January 2013 and heads the Multi Asset team. After commencing his investment career with Scottish Widows in 1989, where he qualified as an actuary, David joined the Fixed Interest team at Scottish Widows Investment Partnership in 1996, becoming Head of Bond Strategy and chair of their Bond Policy Group. In 2008, he joined Standard Life Investments as Investment Director in their Multi-asset investment team. He was one of the fund managers within their Global Absolute Return investment team and was chair of their Bond Investment Group. David holds a BSc (Hons) in Mathematical Statistics from the University of Cape Town and is a Fellow of the Institute and Faculty of Actuaries.

### About the Custodian and Administrator

#### JPMorgan Chase Bank, N.A. (Sydney Branch)

We have appointed JP Morgan Chase Bank, N.A. acting through its Sydney Branch as the custodian and administrator for the Fund (in such capacity, 'J.P. Morgan'). Pursuant to contracts with J.P. Morgan, its role as custodian, carried out by itself and/or through its nominee, is limited to holding the assets of the Fund as bare trustee. J.P. Morgan also provides fund accounting and unit pricing services, investment administration reports, unit registry services and taxation services for the Fund. J.P. Morgan has no supervisory role in relation to the operation of the Fund and is not responsible for protecting your interests. J.P. Morgan has no liability or responsibility to you for any act done or omission made in accordance with the terms of its contracts. J.P. Morgan makes no statement in this PDS and has not caused the issue of it.

J.P. Morgan will not be responsible or liable for the accuracy of information furnished by other persons in performing its services for the Fund, nor is it responsible for the actions or activities of the Fund's other service providers, including any brokers.

The Fund has provided an indemnity to J.P. Morgan in relation to certain losses that J.P. Morgan may incur in connection with services provided by it.

The fees and expenses of J.P. Morgan will be agreed in writing between the Responsible Entity and J.P. Morgan from time to time.

J.P. Morgan is not responsible for any trading or investment decisions of the Fund and will not be in any way responsible for the performance of the Fund.

J.P. Morgan is not responsible for the preparation of this document and does not accept any responsibility or liability for any information contained in this document. Neither J.P. Morgan nor any other member of J.P. Morgan group of companies guarantees the performance of the investment or the underlying assets of the Fund, or provides any guarantee, warranty or assurance in respect of the obligations of the Responsible Entity, its related entities or other service providers.

### Changes to key service providers

The Responsible Entity has processes and procedures for selecting, monitoring and reviewing the performance of the above key service providers as set out in the Fund's compliance plan. These key service providers are subject to change at any time, and in some cases without prior notice to investors. The Responsible Entity will inform investors of any material change to key service providers in the next regular communication or as otherwise required by law.

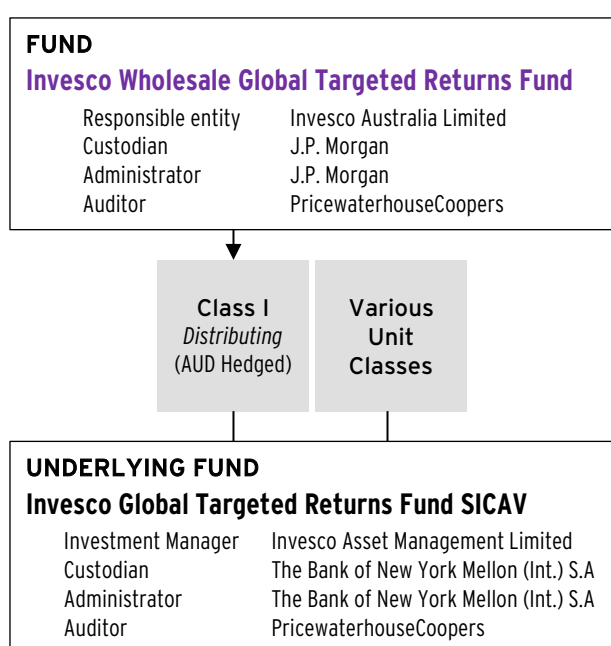
## 4. How the Fund invests

### Fund Structure

The Fund is an Australian managed investment scheme, registered and regulated under the Corporations Act. The Fund is established for the purpose of investing in the Underlying Fund which is a Luxembourg domiciled SICAV regulated by the Commission De Surveillance Du Secteur Financier, and managed by a related company, Invesco Asset Management Limited.

The Fund is administered by J.P. Morgan and the Underlying Fund is administered by the Bank of New York Mellon (International) S.A., an independent administrator who also provides valuation services in relation to the Underlying Fund's assets.

The following diagram summarises the Fund structure at the date of this PDS.



### Investment Objective

The Fund aims to achieve a positive total return in all market conditions over a rolling three-year period. By investing in the Class I (distributing) (Australian dollar hedged) of the Underlying Fund, the Fund targets a gross return of 5% per annum above the Bloomberg Ausbond Bank Bill Index and aims to achieve this with less than half the volatility of global equities (referencing the MSCI World Index), over the same rolling three-year period. This is a statement of objective only and there is no guarantee that the Fund will achieve a positive return or its volatility target.

### Investment Strategy

The Fund invests in the Underlying Fund, and aims to be as close to fully invested as practical at all times.

The Underlying Fund seeks to achieve its objective by combining a number of individual investment ideas in a risk-managed portfolio.

Each idea is selected based on a 2-3 year investment horizon from across economic areas and from different asset types including, but not limited to equities, credit, interest rates, currencies, commodities, inflation, real estate securities and/or volatility. The investment ideas are selected by the Investment Manager after extensive research, which incorporates their central economic thesis, analytical outputs and the views of other investment professionals within the organisation.

The implementation of the investment ideas in the Underlying Fund can take two different forms: (i) market exposure, which can be taken via investment in eligible collective investment schemes or directly in eligible assets or by (ii) the use of Derivatives, which includes but is not limited to directional long/short or pair trades. Some ideas can use a combination of direct exposure and Derivatives to achieve the desired outcome.

### Diversification and Risk Management

To ensure a prudent spread of risk and a diversified portfolio, a minimum of five individual investment ideas from a minimum of three different asset types will be held in the Underlying Fund at all times (typically there are 20-30 investment ideas). While the aim of the Underlying Fund is to achieve lower volatility as a result of these investment ideas working together, it should be noted that this target may not be achieved.

To ensure proper diversification of risk, no one asset class or investment idea is allowed to contribute more than 50% and 25% respectively to the total risk of the Underlying Fund.

### Hedging and Benchmarks

The Fund invests in the Australian dollar hedged share class of the Underlying Fund. In this share class Derivatives are used to hedge the impact between Australian Dollars and Euros.

Investors should note that the hedging strategy is designed to reduce, but not eliminate, exchange-rate risk. There is no guarantee that the exposure to Australian Dollars can be fully hedged against Euros. Investors should note that the hedging strategy is a passive investment strategy and is not intended for speculative purposes. The successful implementation of the hedging strategy may reduce the benefit to the Fund of decreases in the value of the Australian Dollar in relation to the Euro (the base currency of the Underlying Fund).

### Borrowing

The Fund and Underlying Fund may borrow on a secured or unsecured basis for any purpose up to 10% of the net asset value of that fund. At present both the Fund and Underlying Fund intend that any such borrowing would be effected only on a temporary basis.



## Leverage

The Underlying Fund is expected to gain leverage through the use of Derivatives and other instruments for efficient portfolio management, hedging purposes and for investment purposes.

The level of leverage under normal market circumstances is typically expected to amount to between 100 and 350%. Such level might be exceeded or might be subject to change in the future. The expected level of leverage figure may be exceeded where the team identify new investment ideas that require relatively high notional values to achieve the market exposures. Any additional leverage which the Underlying Fund employs will never be undertaken without due consideration being paid to the impact this could have on the volatility (risk) of the portfolio.

The Underlying Fund will take significant levels of exposure through the use of Derivatives in the implementation of the Underlying Fund's investment ideas. As an example, after extensive research, the Investment Manager may form a view on two particular currencies and believes one will appreciate relative to the other. In this case, the Investment Manager would enter into a long/short or pair trade which may involve the use of two separate transactions to execute the idea. There are a number of currencies where there is not a facility to execute the idea against the base currency of the Underlying Fund (e.g. Non-Deliverable Forward markets) and rather the idea would need to be executed in both cases against the USD. In this example, the increased exposure taken through Derivatives could lead to higher volatility and increase the risk of loss.

Theoretically the use of leverage increases the level of risk that the portfolio is exposed to and exaggerates the impact of market movements (both positive and negative) on the value of your investment. The following example shows the impact of leverage on a single asset class portfolio when that asset class moves up or down by 10%.

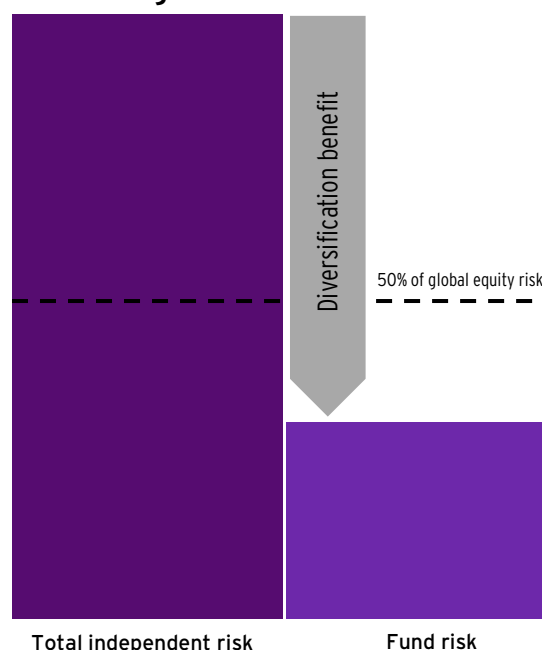
	No leverage	Leveraged to 350% of NAV	Your leveraged return
<b>Amount invested</b>	\$10,000	\$10,000	
<b>Market moves up 10%</b>	\$11,000	\$13,500	+35%
<b>Market moves down 10%</b>	\$9,000	\$6,500	-35%

*Disclaimer: This example uses 350% leverage which is the maximum anticipated level of leverage under normal market circumstances used by the Underlying Fund, although the actual level of leverage will differ significantly over time and may exceed 350%.*

For a diversified portfolio, the negative correlation which exists in normal market conditions between the different investment strategies utilised by the Underlying Fund means that the overall volatility cannot be greater than the sum of the individually weighted components.

We have prepared the below stylised diagram to illustrate the potential diversification benefits that could be generated by the negative correlation between investment strategies and the Fund's risk management processes.

## Investing in ideas



**Total independent risk** **Fund risk**

Disclaimer: This is a stylised chart demonstrating the total sum of risks of individual investment ideas versus total portfolio risk which has been reduced through diversification.

## Valuation Policy

We outsource the pricing of the Fund's assets to the administrator of the Fund. The Fund's assets are valued in accordance with Invesco's Securities Pricing Policy, which includes how to independently verify the valuation of assets that are exchange traded, non-exchange traded and assets that could be categorised as funds of hedge funds' investments. The valuation policy also mandates the particular primary and secondary pricing sources from third party vendors to be used for each type of asset so that each asset has an independently verifiable valuation.

Specifically, this valuation policy provides for the use of the most recent market valuation available at the time of valuation, which is then applied consistently and in line with market practice. The valuations used are market standard feeds that reflect the last traded positions of securities, such as equities, fixed income, foreign exchange and exchange traded Derivatives. In some instances where the above sources do not provide a valuation or there is no exchange quoted valuation (in the case of non-exchange traded or OTC transactions), an alternative valuation method may be used in accordance with the valuation policy.

The policy may permit for input and discretion by the Responsible Entity as to the appropriate valuation to be used for such assets. The valuation for non-exchange traded assets is in line with market practice and able to be independently verified.

## Types of Assets

The Fund invests in the Underlying Fund and may hold up to 5% of its assets in cash.

### Asset ranges for the Underlying Fund

The Underlying Fund can invest in a range of assets and indices or may invest via UCITS. The Underlying Fund may invest more than 10% of its net assets in units of UCITS and/or other UCIs.

Asset Classes	Investment Ranges	
	Min %	Max %
Eligible equities (ie. global equities that are eligible for investment by UCITS funds)	0	100
Equity related securities or Derivatives	0	100
Debt securities (including those issued by corporate bodies, governments and/or supranational institutions) or Derivatives	0	100
Real estate investments trusts (REITs) or Derivatives	0	100
Units of UCITS and/or other UCIs (including but not limited to exchange traded funds)	0	100
Cash and Cash Equivalents	0	100
Money Market instruments and any other eligible instrument which could include indirect exposure to commodities	0	100

There is no restriction or bias in relation to geographic location of any assets of the Underlying Fund.

### Derivatives

The implementation of the Underlying Fund's investment ideas will make significant use of Derivatives to obtain exposure to long and short positions. The use of Derivatives will create leverage, and the Underlying Fund's overall exposure will exceed the Fund's net assets. The Underlying Fund's use of Derivatives may include but is not limited to exchange traded or OTC Derivatives on currencies, interest rates, credit, commodity indices, other eligible indices or equities. These Derivatives may include (but are not limited to) credit default swaps, total return swaps, swaps, forwards, futures and options. Such Derivative usage can be for the purposes of efficient portfolio management and/or meeting the investment objective of the Underlying Fund.

Please see the Risks section for further explanation of risk associated with Derivatives.

### Short Selling

The Underlying Fund's exposure to the major asset classes can be taken via long and short positions, both directly and indirectly. All short positions will be taken via the use of Derivatives. The Underlying Fund does not short individual securities, but may short financial indices.

### Ethical Standards

Generally we do not select or realise investments based on factors such as labour standards, environmental, social and ethical considerations, however, we may consider these factors to the extent that they may impact on an investment's value or likely return.

### Fund Changes

We have the right to change the objective and investment strategy of the Fund without prior notice. Unitholders will be notified of any material changes as required by the Fund's Constitution or the Corporations Act, as applicable.

### Fund Performance

The latest performance information for the Fund is available at [www.invesco.com.au](http://www.invesco.com.au). Past performance is not necessarily a guide to future performance.

## 5. Risks

Investing in the right managed fund or funds can be a smart way to achieve your financial goals. However, it's important to be aware that all investments are associated with some level of risk; it's unavoidable. Managed investment schemes are no different.

With investing, risk refers to the likelihood that you will not end up with as much money as you started with when you invested initially. In other words, risk is the chance you take of making or losing money on your investment. Generally, assets with the highest expected long-term returns may also have the highest level of short-term risk.

The level of risk may be different for different managed investment schemes, depending on the assets held in accordance with the scheme's investment strategy.

The value of your investment in the Fund is not guaranteed. In line with its underlying investments, the unit price of the Fund and therefore the value of your investment can go up and down. Further, the amount of any income distribution you receive from the Fund could vary or be irregular.

When assessing an investment in the Fund it is important to remember:

- The value of your investment will vary over time;
- Investment returns will vary, and future returns may differ from past returns;
- Returns are not guaranteed and you may lose money; and
- Laws affecting your investment may change in the future.

The level of risk appropriate for you will depend on factors such as your age, your investment time frame, your other investments and how comfortable you are with taking risk.

### Fund Risks

Significant risks for the Fund as well as the Underlying Fund include:

#### ▪ Market Risk

The risk that relates to investment markets, e.g. international markets, fixed interest markets in which the Underlying Fund may invest. Markets can be affected by many factors including economic conditions, the political and sovereign environment, outlook for companies, interest rates, inflation and general investor sentiment. These factors will impact the investment market and ultimately the value of a fund.

#### ▪ Liquidity Risk

There is a risk that a particular position will not be able, or will not easily be able, to be unwound or offset at or near the previous market price, due to inadequate market depth or to disruptions in the marketplace. There is also a risk that the Underlying Fund, and consequently the Fund may become illiquid. If this were to happen, the Responsible Entity may not be able to process withdrawal requests. The Fund is not listed. Note the Responsible Entity does not guarantee the liquidity of the Fund or Underlying Fund's investments.

#### ▪ Counterparty Risk

The risk that a counterparty to an asset of the Underlying Fund, such as a Derivative or fixed interest security, or a counterparty to a strategy (such as shorting a stock), is unable to meet its obligations under that contractual obligation. The Investment Manager of the Underlying Fund will seek to minimise the risk by entering into transactions with counterparties which are, in the Investment Manager's opinion, established and reputable.

#### ▪ Underlying Fund's Risk

As the Fund will invest in the Underlying Fund, the success of the Fund shall depend upon the ability of the Underlying Fund to develop and implement investment strategies that achieve the Underlying Fund's, and consequently the Fund's investment objective. Subjective decisions made by the Underlying Fund may cause the Fund to incur losses or to miss profit opportunities on which it could otherwise have capitalised.

#### ▪ Hedging risk

Investors should note that the hedging strategy between the currency of the Fund (Australian dollars) and the base currency of the Underlying Fund (Euros) is designed to reduce, but not eliminate, exchange-rate risk. There is no guarantee that the exposure of the currency in which the Fund is denominated can be fully hedged against the base currency of the Underlying Fund. Investors should note that the hedging strategy is a passive investment strategy and is not intended for speculative purposes. The successful implementation of the hedging strategy may reduce the benefit of decreases in the value of currency of investment in relation to the base currency of the Underlying Fund.

#### ▪ Operational Risk

The risk of technology and processes, and other operational aspects of the Underlying Fund or the Fund failing, resulting in delays, errors or financial losses. In the case of mFund, ASX may suspend or revoke the admission of the Fund to mFund. ASX's systems could fail or there could be errors, anomalies or irregularities.

#### ▪ Legal Risk

The Underlying Fund or the Fund may be affected by the actions of governments and regulatory bodies. Legislation (including legislation relating to tax) or regulation may be introduced which may have an impact on the Fund, the Underlying Fund or on its investments.

#### ▪ Fund Risk

The risk that the Fund or Underlying Fund could terminate, that the fees and expenses increase, or that the investment manager changes. There is also a risk that investing in the Fund may give different results than investing directly because of income or capital gains accrued in the Fund, and the consequences of investments and withdrawals by other investors.

#### ▪ Emerging Markets Securities Risk

The Underlying Fund may invest in companies (and governments) of emerging or less developed countries, which may involve greater risks than comparable investments in developed countries, including without limitation, risks with respect to expropriation, nationalisation, and general social, political and economic instability.

#### ▪ **Equity Securities Risk**

The value of any equity and equity-related securities held by the Underlying Fund will be affected by economic, political, market, and issuer-specific changes. Such changes may adversely affect securities, regardless of company specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes.

#### ▪ **Fixed Income Securities Risk**

The value of any fixed income securities held by the Underlying Fund will change in response to fluctuations in interest rates and credit quality, which may result in losses to the Underlying Fund, and consequently to the Fund.

#### ▪ **High Yield Bonds and Bank Loans Risk**

Any high yield bonds or leveraged loans held by the Underlying Fund generally have lower credit ratings (or no credit ratings in some cases) and are subject to greater risk of loss of principal and interest than investment-grade bonds and loans. Such instruments are generally considered to be predominantly speculative with respect to the issuer's and borrower's capacity to pay interest and repay principal. The highly leveraged capital structure of the issuers and borrowers in such transactions may make such bonds and loans especially vulnerable to adverse changes in economic or market conditions.

#### ▪ **Foreign Markets Risk**

Foreign markets risk is the potential adverse political, economic or social developments affecting the returns on investments in a country, which may reduce the value of assets in that country and in turn the value of the Underlying Fund and the Fund.

#### ▪ **Currency Risk**

The Underlying Fund's assets may be invested in securities denominated in currencies other than the base currency of the Underlying Fund, and any income from these investments will be received in those currencies, some of which may fall against the base currency of the Underlying Fund. Therefore, if the Underlying Fund's assets are invested in securities denominated in currencies other than the base currency of the Underlying Fund, there will be currency exchange risk which will affect the value of the Underlying Fund and, in turn, the value of the Fund.

#### ▪ **Short Selling Risk**

The Underlying Fund may establish short positions in securities (including Derivatives). To make delivery to the buyer, the Underlying Fund must borrow the security, and the Underlying Fund is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the Underlying Fund. Lenders may rescind the loan of securities at any time and cause the borrower to repurchase securities at inflated prices, resulting in a loss. Taking short positions in an asset involves a higher level of risk than buying an asset since the loss with buying an asset is generally limited to the purchase amount, whereas the loss with short positions, is unlimited (i.e. there is no upper limit on the price of the asset). Diversification of the short portfolio could reduce the risks involved in short selling securities. There are costs involved with implementing short selling strategies such as costs borne by a securities lender or other counterparties that may be passed onto the Underlying Fund.

#### ▪ **Leverage Risk**

Leverage generally involves the use of borrowed money or securities, or use of Derivatives to increase the potential return from an investment. Leverage occurs where the level of exposure to investments exceeds the amount of cash invested. As a result leverage magnifies both potential investment gains and losses. Losses from leveraged investments can be substantial and can exceed the original amount invested.

#### ▪ **Taxation Risk**

There will be tax implications for investors in the Fund. A general description of the Australian taxation consequences for investors has been set out in Section 7. Changes in tax law (including goods and services taxes and stamp duties), or changes in the way taxation laws are interpreted may impact the tax liabilities of the Fund and its investors.

#### ▪ **FATCA Risk**

The Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of any FATCA withholding tax, however no assurance can be given that the Fund will be able to satisfy the relevant FATCA obligations. If the Fund becomes subject to a FATCA withholding tax as a result of the FATCA regime, the value of the units held by unitholders in the Fund may suffer material losses.

#### ▪ **Credit Default Swaps**

The Underlying Fund may use credit default swaps ('CDS') for a purpose other than hedging, such as for efficient portfolio management purposes or as part of the Underlying Fund's principal investment policy. This may present a risk of liquidity if the position must be liquidated before its maturity for any reason. The Underlying Fund will mitigate this risk by limiting in an appropriate manner the use of this type of transaction. Furthermore, the valuation of CDS may give rise to difficulties which traditionally occur in connection with the valuation of OTC contracts.

Insofar as the Underlying Fund uses CDS, which are financial derivative instruments, for efficient portfolio management or hedging purposes, investors should note that such instruments are designed to transfer credit exposure of fixed income products between the buyer and seller. The Underlying Fund would typically buy a CDS to protect against the risk of default of an underlying investment, known as the reference entity and would typically sell a CDS for which it receives payment for effectively guaranteeing the creditworthiness of the reference entity to the buyer. In the latter case, the Underlying Fund would incur exposure to the creditworthiness of the reference entity but without any legal recourse to such reference entity. In addition, as with all OTC derivatives, CDS expose the buyer and seller to counterparty risk and the Underlying Fund, and in turn the Fund, may suffer losses in the event of a default by the counterparty of its obligations under the transaction and/or disputes as to whether a credit event has occurred, which could mean the Underlying Fund cannot realise the full value of the CDS.

#### ▪ Derivative Risks

There are certain investment risks which apply in relation to techniques and instruments which the Investment Manager of the Underlying Fund may employ for efficient portfolio management purposes or as part of the principal investment policy including, but not limited to, those described below. However, should the Investment Manager's expectations in employing such techniques and instruments be incorrect or ineffective, the Underlying Fund may suffer a substantial loss, in turn having an adverse effect on the net asset value of the units in the Fund.

Investments in the Underlying Fund may be composed of securities with varying degrees of volatility and may comprise, from time to time, Derivatives. Since Derivatives may be geared instruments, their use may result in greater fluctuations of the net asset value of the Underlying Fund.

The Underlying Fund may use Derivatives for efficient portfolio management or to attempt to hedge or reduce the overall risk of its investments or Derivatives may be used as part of its principal investment policies and strategies. Such strategies might be unsuccessful and incur losses for the Underlying Fund, due to market conditions. The Underlying Fund's ability to use these strategies may be limited by market conditions, regulatory limits and tax considerations. Investments in Derivatives are subject to normal market fluctuations and other risks inherent in investment in securities. In addition, the use of Derivatives involves special risks, including;

1. dependence on the Investment Manager's ability to accurately predict movements in the price of the underlying security;
2. imperfect correlation between the movements in securities or currency on which a Derivatives contract is based and movements in the securities or currencies in the Underlying Fund;
3. the absence of a liquid market for any particular instrument at any particular time which may inhibit the ability of the Underlying Fund to liquidate a Derivative at an advantageous price;
4. the degree of leverage inherent in futures trading (i.e. the loan margin deposits normally required in futures trading means that futures trading may be highly leveraged). Accordingly, a relatively small price movement in a futures contract may result in an immediate and substantial loss to the Underlying Fund and, in turn, the Fund; and
5. possible impediments to efficient portfolio management or the ability to meet repurchase requests or other short term obligations because a percentage of the Underlying Fund's assets may be segregated to cover its obligations.

## 6. Fees and Other Costs

The Corporations Act requires the following standard consumer advisory warning set out below. The information in the consumer advisory warning is standardised across all product disclosure statements and is not specific to information on fees and costs in this Fund.

### Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

### To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission ('ASIC') website ([www.moneySMART.gov.au](http://www.moneySMART.gov.au)) has a managed funds fee calculator to help you check out different fee options.

**This document shows fees and other costs that you may be charged.** These fees and costs may be deducted from your investment balance, from the returns of your investment or from the assets of the Fund as a whole.

Taxes are set out in another part of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Fund		
<b>Establishment fee</b> The fee to open your investment	Nil.	Nil.
<b>Contribution fee<sup>1</sup></b> The fee on each amount contributed to your investment	Nil.	Nil.
<b>Withdrawal fee<sup>1</sup></b> The fee on each amount you take out of your investment	Nil.	Nil.
<b>Exit fee</b> The fee to close your investment	Nil.	Nil.
<b>Management costs<sup>2</sup></b> The fees and costs for managing your investment	0.95% p.a. of the net asset value of the Fund	Calculated Daily and reflected in the daily price. This includes the fees payable to the Investment Manager, Administrator and Custodian. Indirect Costs <sup>3</sup> are nil as such costs are intended to be borne by Invesco out of its management fee

Fees quoted are inclusive of the current GST and net of the reduced input tax credits applicable.

<sup>1</sup> A buy/sell spread will also apply. See below for further details.

<sup>2</sup> If you are an indirect investor, additional fees may be charged by your financial adviser or Service operator (as applicable) for investing in the Fund. Certain wholesale client investors and eligible employees of Invesco may negotiate a rebate of the Management costs component.

<sup>3</sup> Where the Fund invests in an interposed vehicle or other underlying fund also managed by Invesco, all fees charged in the underlying fund managed by Invesco are either offset or rebated back to the Fund to ensure that they are not an additional cost to you.

### Example of annual fees and costs

This table gives an example of how the fees and costs for this managed investment product can affect your investment over a one-year period. You should use this table to compare this product with other managed investment products.

#### Example - Balance of \$50,000 with a \$5,000 contribution during the year<sup>†</sup>

Contribution fees	Nil.	You will not be charged a contribution fee
<b>Plus Management Costs, comprising:</b>		
Management Fee	0.95%	And, for every \$50,000 you have in the Fund you will be charged \$475 each year.
<b>Equals</b> Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you contributed an additional \$5,000 during that year, then for that year you would be charged fees of \$475.  <b>What it costs you will depend on the fees you negotiate with the Fund (if applicable).</b>

<sup>†</sup> This example assumes that the additional contribution is received at the end of the year and that there are no investment market movements on either the account value of \$50,000 or the additional contribution. Indirect Costs are nil as such costs are intended to be borne by Invesco out of its management fee. This example does not take into account the cost of any buy/sell spread.

Additional fees may be paid by you to your financial adviser if you have consulted one. Additional fees may also be paid by you if you access the Fund through an IDPS. Please refer to the relevant Statement of Advice, IDPS Guide or PDS. If you access the Fund through mFund your broker may charge you a fee to process your transactions via mFund. You should consider your broker's Financial Services Guide.

### Additional explanation of fees and costs

#### Management Costs

Management Costs comprise the management fee we charge for overseeing the operations of the Fund and managing the Fund's assets. As at the date of this PDS, Indirect Costs such as custodian fees, administration and audit fees, and other ordinary expenses of operating the Fund, are covered by the management fee at no additional charge to you.

#### Management Costs do not include:

- transactional and operational costs (i.e. costs associated with investing the underlying assets), some of which may be recovered through Buy/Sell Spreads; or
- any abnormal or extraordinary expenses such as costs of legal proceedings, investor meetings, changes to the Constitution or changing the Responsible Entity, and are recoverable from the Fund as long as those expenses are properly incurred in operating the Fund.

#### Transactional and Operational costs and buy/sell spread

Transactional and operational costs are incurred when the Fund's assets are traded. They are reflected in the Fund's unit price and therefore impact the value of your investment. These costs include explicit costs associated with buying and selling assets such as brokerage, settlement costs, clearing costs and stamp duties. There will also be implicit costs such as the difference between the bid and ask price of assets traded by the Fund.

Transaction costs incurred as a direct result of investor cash flows into or out of the Fund will generally be offset by the Buy/Sell Spread incurred by those investors causing that cash flow (see below). There will also be transactional costs incurred as a result of day-to-day trading activity by the Fund. All transactional and operational costs are factored into the asset value of the Fund's assets and are not a fee paid to the Responsible Entity.

When you invest or withdraw from the Fund, you will transact at either the buy or sell unit price. Within the determination of these unit prices is an allowance to cover our estimate of transaction costs associated with your cash flow (Buy/Sell Spread). This allowance is retained by the Fund and used to offset the costs associated with the purchase (or sale) of the Fund's assets in connection with the purchase or withdrawal of units. The buy and sell spreads are charged to ensure that investors in the Fund are not penalised by another investor buying or selling units in the Fund. The monetary value of the spread stays in the Fund to cover the transaction costs and is not a fee paid to us. A Buy/Sell Spread will only be incurred when you buy or sell units in the Fund, and it will only be applied to the amount of your transaction.

The current Buy/Sell Spread and total transactional and operational costs for the previous financial year for the Fund are set out below.

### Buy/Sell Spreads

Fund	Buy Spread	Sell Spread	Dollar example of spreads based on a \$50,000 application or withdrawal amount	
			Buy spread	Sell spread
Invesco Wholesale Global Targeted Returns Fund - Class A	0.3%	0.3%	\$150	\$150

### Total transactional and operational costs (% p.a. of the Fund's net asset value)

Fund	Total transactional and operational costs	Minus: Buy/Sell Spread recovery	Equals: Net transactional and operational costs
Invesco Wholesale Global Targeted Returns Fund - Class A	0.84%	0.26%	0.58%

### Changes to fees and costs

The Fund's Constitution entitles us to charge a higher management fee than is stated in this PDS. We will increase the management fee only after providing 30 days' notice. Expense recoveries may change without notice, for example, when it is necessary to protect the interests of existing members and if permitted by law. The Constitution defines the maximum management fee that can be charged from the Fund.

### Underlying Funds

Where the Fund invests in other underlying funds also managed by Invesco, fees charged in the underlying funds managed by us may be refunded in whole or part.

### IDPS Investors - Additional IDPS Operator Fees

Additional fees and expenses may be charged by the operator of the IDPS. These fees and costs are contained in the offer document provided by your IDPS operator.

### Negotiating Fees

We may individually negotiate fee rebates (paid by us out of our own resources) to certain 'wholesale clients' (such as a sophisticated or professional investor) as defined in the Corporations Act and eligible Invesco employees. These arrangements are subject to compliance with legal requirements and any applicable ASIC relief. There is no set method of negotiating fees. Please contact Invesco directly for further information.

### Incidental Fees and Costs

Standard Government fees, duties and bank charges may also apply to your investments and withdrawals including dishonour fees and conversion costs.

### mFund Investors - Additional Fees

Additional fees and expenses may be charged by your stockbroker to invest via mFund. These fees and costs are paid by you to your stockbroker and are not a fee charged by the Fund.



## Payments to an IDPS

Some IDPSs charge us fees for having the Fund included on their investment menus based on a flat dollar fee (non-volume based). We may pay amounts from the fees we receive to any IDPS which the Fund is made available on. These payments may help to cover costs incurred by an IDPS establishing and maintaining the Fund on their platform, as well as certain other marketing and distribution costs. These amounts are paid by us out of our own resources and are not an additional cost to you. We comply with 'Future of Financial Advice' ('FOFA') rules concerning any payments made to platform providers.

## Alternative Forms of Adviser Payments

Subject to law, we may make payments to financial advisers indirectly by paying them additional amounts (such as marketing support payments) and/or non-monetary benefits (such as business and technical support, professional development, conferences etc.). If these amounts or benefits are provided, they are payable out of the fees and costs we receive and are not an additional cost to you. We comply with FOFA rules concerning any payments made to advisers.

We maintain a register that outlines the material alternative forms of remuneration that we pay to financial advisers and other distributors of our products, as well as alternative forms of remuneration received by us from others. You can obtain a copy of the register by contacting Invesco.

## Taxes

Unless otherwise stated, all fees and costs are inclusive of GST and net of the reduced input tax credits applicable. The rate of GST and reduced input tax credits receivable by the Fund may change the total level of costs incurred.

# 7. Taxation

Investing in a registered managed investment scheme is likely to have tax consequences. We strongly recommend that you seek professional tax advice before investing in the Fund.

The following summary generally applies to resident investors who hold their investment for the purpose of realising a long-term return (i.e. held on capital account). It is based on our understanding of the current law as at the date of this document.

The Fund should not pay tax on the basis that all of its taxable income will be distributed to investors. Investors will be assessed for tax based on their share of the taxable income and any capital gains generated by the Fund. The taxable sum of these components may differ to the amount of cash distribution an investor receives.

Distributions from the Fund may entitle unitholders to franking credits and/or foreign tax credits. Distributions may also include tax deferred amounts or return of capital amounts which may reduce the cost base of your investment for CGT purposes.

Where the Fund has elected to be treated as an Attribution Managed Investment Trust ('AMIT'), it will be taxed in accordance with the AMIT rules, including calculation and distribution of income of the Fund in accordance with the AMIT principles. The income of the Fund should be taxed in the hands of Unitholders on a 'flow through' basis if the Fund is an AMIT for a financial year, in which case Unitholders will be assessed on their share of the assessable income (including any capital gains), exempt income, non-assessable non-exempt income and tax offsets of the Fund as allocated to them by the Responsible Entity.

When you fully or partially withdraw units from the Fund, this is treated as a disposal of your investment and you may be subject to capital gains tax.

GST is charged at a rate of 10% on taxable supplies. The Fund may incur GST in respect of various expenses and may not be entitled to full input tax credits in respect of all the GST it incurs.

Income earned by the Fund from investments outside Australia may be subject to taxation in the country where the income is sourced. For their share of foreign tax paid an Australian resident investor may be able to claim a foreign tax offset against their Australian tax liability.

If you are a non-resident for tax purposes or do not quote your Tax File Number ('TFN') or Australian Business Number ('ABN') (and do not have a relevant exemption from quoting your TFN or ABN), withholding tax will be deducted from your distributions at the prescribed rates (including Medicare levy if applicable).

## 8. Applications and Withdrawals

### Minimum Initial Investment

A minimum initial investment amount of \$20,000 is required. We may in certain circumstances, reject an application in whole or part.

### Additional Investments

The minimum additional investment amount is \$500.

Additional units can be applied for by sending us a written instruction and payment or in the case of mFund via your licensed broker. You do not need to complete another application form.

### mFund Investors

You can apply for units through mFund using a stockbroker. Your holding will be broker-sponsored and will be held under your Holder Identification Number ('HIN').

These minimum investment amounts also apply to mFund investors. However, Monthly Savings Plans are not offered for investors using the mFund service. Further information on mFund can be found below or by visiting [www.invesco.com.au](http://www.invesco.com.au).

### Applications

You should read this PDS in full together with the 'Application Booklet' available at [www.invesco.com.au](http://www.invesco.com.au).

Direct investors can acquire units by completing the Application Form and the relevant Client Identification Form available at [www.invesco.com.au](http://www.invesco.com.au).

Please note that cash or cheques from third party accounts will not be accepted.

The offer made in this PDS is only available to persons receiving this PDS (electronically or otherwise) within Australia. Applications from outside Australia (including applications from 'US Persons' (as defined in the Regulation S of the US Securities Act 1933)) will not be accepted. Investors accessing the Fund through an IDPS should refer to their IDPS service provider or by making an application through mFund by placing a buy order with one of their licensed brokers (see below).

### Application Form and Identification Requirements

For initial investments, please complete the Application Form and relevant certified Client Identification documentation as outlined in the Application Form and mail them, along with your cheque to:

Invesco Australia Ltd  
Reply Paid 87890,  
Rhodes NSW, 2138

Alternatively, initial investments can also be made via direct credit and direct debit. Direct credit confirmation must accompany the completed Application Form and Client Identification documentation. If you wish to make the payment via direct debit then please ensure you complete the direct debit request section contained in the Application form.

In addition, we may require further information or documentation from you at any time in order to satisfy our obligations under Anti-Money Laundering and Counter Terrorism Financing legislation. We may accept your application without the client identification documents being completed. However we cannot make any payments (withdrawals, distributions or return of investment under 'cooling-off' rights) to you, until the correct client identification documents have been received by us.

We cannot accept an incomplete application. If your application is incomplete, we will deposit your application funds into a trust account until the application form is completed. Application funds will be held in the trust account for a maximum of 30 days, and any interest accrued on the account will become part of the assets of the Fund. If after 30 days we have not received your completed Application Form, we will return the funds to you (excluding any interest accrued) unless we are not satisfied with your client identification material.

Additional investments can be made via written instruction without requiring further identification requirements.

Instructions can be received either via mail, to the address stated above or faxed to: 02 9287 0323.

In specie transfer of assets will be accepted at our absolute discretion. The buy spread may be waived or varied on any in-specie transfer.

To set up a Monthly Savings Plan, read the direct debit service agreement contained in the Application Form and indicate your preference on the Application Form.

### Investors investing via mFund

If you wish to apply via mFund, you do not need to send us a completed application form or any identification documentation. Establishing an account, amending any account details and submitting transactional instructions must be done via a mFund licensed stockbroker.

Your payment for applications, will come out of your relevant broking account. By applying through mFund, you will be taken to have read the PDS document. Please contact your broker if you require assistance to determine your identification requirements.

### Timing of Transactions

If we accept your valid instruction before the 2.30 pm AEST cut-off time, or before 11.15am for an mFund instructions on a Business Day\*, units will generally be issued (or withdrawn) at the entry (or exit) unit price applicable for that day. If we accept your valid instruction at or after the cut-off time, or on a day that is not a Business Day, units will generally be issued (or withdrawn) at the applicable entry (or exit) price for the following Business Day.

Invalid or incomplete application or withdrawal requests will be processed on the day that all complete information is correctly received, subject to meeting the above cut off time.

*\* Unless investing via mFund, the cut off time on a Business Day before a Melbourne public holiday is 11.00am AEST.*

### Cooling-off Rights

If you invest less than \$500,000 and are not a 'wholesale client' as defined in the Corporations Act, you have a 14-day 'cooling-off' period in which to decide if the investment you have made is right for you.

The cooling-off period commences on the earlier of:

- The date you receive confirmation of your investment; and
- Five days after your units were issued.

The amount of any refund is calculated using the entry price applicable for the day you exercise your cooling-off right, and is adjusted for non-refundable tax and duties and any reasonable transaction costs. As a result, the amount refunded may be greater or less than the amount initially invested.

Cooling-off rights will not apply where units are issued pursuant to a switch, a savings plan, as part of a distribution reinvestment arrangement, or where you invest indirectly via an IDPS.

## Withdrawals

If you wish to make a withdrawal you can withdraw units by sending us a written instruction (including fax instructions) detailing your client details and the amount (in units or in dollars).

Withdrawal proceeds will be made by electronic payment into your nominated Australian bank, building society or credit union account.

If funds are to be deposited into a bank account, other than the nominated bank account associated to your account with us, an original written instruction must be received. We will not pay withdrawal proceeds to third parties.

For investors who originally invested through mFund, a withdrawal request of units currently held on your HIN can only be made by placing a sell order for units with your licensed broker.

In normal operating conditions withdrawals will be paid within 10 Business Days of receiving your valid withdrawal request; however we do not guarantee this timeframe and may take a longer period to pay withdrawals (see 'Delay on Withdrawals' below). The Fund's Constitution governs the way we may process your withdrawal.

A minimum account balance of \$20,000 (or such other amount as we may determine from time to time) must be maintained. We may close your account and pay out the proceeds (after providing you with 30 days' written notice) if your balance falls below this minimum. You can elect to receive withdrawal transaction confirmation notices electronically.

## Delay on Withdrawals

Under the Fund's Constitution, while the Fund is 'liquid' (as defined in the Corporations Act), we are allowed up to 45 days to determine whether to accept a withdrawal and allowed to make payment up to 21 days after acceptance of a valid withdrawal request.

Further, we can, at our discretion, stagger and/or suspend withdrawals from the Fund. For example, where we are unable to realise sufficient assets due to circumstances out of our control such as restricted or suspended trading in the market for an asset.

If we:

- Stagger withdrawals, the exit price will be that applicable for the day the units are actually withdrawn; or
- Suspend withdrawals, the unit price applicable will be the exit unit price applicable for the first Business Day after the period of suspension ends.

If the Fund is not liquid (as that term is defined in the Corporations Act) investors may only withdraw units if Invesco has made a withdrawal offer to investors under the terms of the allowed under the Corporations Act and the Fund's Constitution. It is expected that the Fund will continue to be liquid at all times.

The Underlying Fund may limit the total number of shares in the Underlying Fund which may be redeemed on any business day to a number representing 10% of the net asset value of the Underlying Fund.

## Timing differences between the Fund and the Underlying Fund

The performance of the Fund may differ to the performance of the Underlying Fund due to factors such as cashflows, Luxembourg public holidays, timing issues of investment between the Fund and Underlying Fund and the cash holding level of the Fund.

In attempting to achieve the investment objective of the Fund, we will manage the Fund to minimise the performance difference caused by these and other factors.

## Calculation of Unit Prices

Unit prices are calculated by dividing the value of the Fund's assets minus any liabilities such as fees and expenses by the total number of units on issue.

Because there is a cost associated with buying and selling the underlying assets of the Fund when you make an application or withdrawal, a buy-sell spread is incorporated into the unit price. This means that each Business Day both entry and exit unit prices are calculated. Applications are processed at the entry price and withdrawals are processed at the exit price.

## Distributions

The Fund may distribute income annually and at other times as determined by us.

Distributions are typically paid within 10 Business Days but may take longer at the end of the financial year. In the event that the Fund's realised losses and other expenses exceed its income in a distribution period, the Fund may not distribute income for that period. You can elect to receive distribution statements electronically.

You can elect to have your distribution reinvested in additional units at the reinvestment price effective the next Business Day after the distribution period, or paid into your nominated Australian bank, building society or credit union account. There is no buy-sell spread on distributions that are reinvested. If you do not make a choice your distributions will be automatically re-invested.

If we have not been able to successfully make payment into your nominated account and are unable to contact you, we will reinvest your distribution in the form of additional units at the prevailing unit price applicable. We will not make distribution payments to third parties.

Distributions are generally calculated based on the net income of the Fund for the distribution period divided by the number of units on issue at the end of the period. A distribution payment may also include any realised capital gains.

We may vary the frequency of distributions from time to time, and we may make a distribution from the Fund on any Business Day.

We may also determine that a withdrawal includes a distribution component. If this occurs, we will advise the amount within 60 days after the end of the financial year in which the withdrawal occurs.

Invesco and other members of the Invesco Ltd group of companies do not guarantee the declaration and amount of any distribution.

## 9. Keeping track of your investment

### Enquiries

If you have any enquiries regarding your investments, you can contact us by:

**Phone:** 1800 813 500 (Monday to Friday)  
**Fax:** 02 9287 0323  
**Email:** [info@au.invesco.com](mailto:info@au.invesco.com)  
**Post:** PO Box 3721, Rhodes NSW 2138

Or visit our website: [www.invesco.com.au](http://www.invesco.com.au).

### Reporting

If the Fund is a 'disclosing entity' under the Corporations Act it will be subject to certain regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from or inspected at an ASIC office.

If the Fund is a disclosing entity, investors may obtain the following documents from us:

- The half-yearly and annual report most recently lodged with ASIC by us in respect of the Fund; and
- Any continuous disclosure notices given by us in respect of the Fund after lodgement of the abovementioned annual report and before the date of the PDS.

We will send you a printed or electronic copy of any of the above documents free of charge within five Business Days of receiving your request.

In addition, Invesco provides a number of features to help you better manage and track your investments. On an annual basis we will provide you reports on:

- Actual asset allocation;
- Liquidity profile of assets;
- Maturity profile of liabilities;
- Leverage ratio;
- Monthly / annual investment returns;
- Derivative counterparties; and
- Any change in key service providers.

On a monthly basis we will provide you with reports on:

- Net asset value;
- Redemption unit price;
- Updated investment performance;
- Material changes to the risk profile and strategy;
- Changes to key service providers and key investment team members (if any); and
- If returns to investors are funded other than from investment returns from the assets.

We will make this information available at [www.invesco.com.au](http://www.invesco.com.au) and update it as required.

### Accounts Online Access

Accounts Online is our self-service portal that allows you access to your account information when you want it.

You can view up to date information on your account, such as:

- Account balance;
- Account holdings;
- Recent and historical transactions;
- Distribution payments;
- Unit prices; and
- Copies of all your statements.

## 10. Other Important information

### Complaints Resolution

You should notify us in writing if you have a complaint. We will acknowledge receipt of your complaint and aim to resolve it within 45 days, in accordance with the Constitution and compliance plan of the Fund. We will write to you to explain our decision and any further avenues of recourse.

Invesco is a member of the Financial Ombudsman Service Limited ('FOS'), an independent body established to resolve complaints in the financial services industry. If we have not resolved your complaint within a reasonable time or you are not satisfied with our determination of your complaint, you can refer the matter to FOS for resolution. Contact details are: the Financial Ombudsman Service Limited, GPO Box 3, Melbourne Vic 3001; phone 1300 780 808.

If you are investing in the Fund through an IDPS, you must make any complaints in relation to an investment in the Fund in accordance with the arrangements for the relevant IDPS.

### Privacy Policy

Information that Invesco holds about you will be handled in accordance with Invesco's Privacy Policy which is available at [www.invesco.com.au](http://www.invesco.com.au), by calling us on freecall 1800 813 500 or by emailing us at [info@au.invesco.com](mailto:info@au.invesco.com).

Investors investing via an IDPS should be aware that we do not collect or hold your personal information in connection with your investment and that you should contact your IDPS operator for information about the collection, storage and use of your personal information.

### US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act ('FATCA') and Common Reporting Standard ('CRS')

The United States of America ('US') has introduced rules (known as FATCA) which are intended to prevent US persons from avoiding tax. Australia and the US have recently signed an Inter-Governmental Agreement ('IGA') to implement the FATCA requirements in Australia. Broadly, the rules may require the Fund to report details of certain US persons in the Fund to the Australian Taxation Office ('ATO') who will then forward the information to the US tax authorities. The Responsible Entity may therefore, request that investors and prospective investors provide certain information in order to comply with the requirements.

Invesco is required to identify tax residents of any country other than Australia in order to meet account information reporting requirements under the CRS. If information in Invesco's possession suggests that you, or an entity you control may be a tax resident of a country other than Australia, you may be contacted to provide further information on your tax residency and/or the tax residency status of the entity. Certain reporting requirements may apply to your account if you do not comply.

### Related Party Transactions and Conflicts of Interest

All transactions we enter into in relation to the Fund, including those with related parties, are on arm's length commercial terms. We may appoint any of our related entities to provide services or perform functions in relation to the Fund. A related company, Invesco Asset Management Limited, is the Investment Manager of the Underlying Fund.

We may also enter into financial or other transactions with related entities in relation to the assets of the Fund and may sell, or purchase assets, from a related entity. Related entities may receive a fee or benefit from any such transaction or appointment.

In the course of managing the Fund, we may face conflicts in respect of our duties in relation to the Fund, related funds and our own interests. We have policies and procedures in place to manage these appropriately. We will resolve such conflict fairly and reasonably and in accordance with the Corporations Act, ASIC policy and our policies.

Details of material related party transactions are reported in the Fund's audited annual accounts.

### Unit Pricing Policy

We maintain a unit pricing policy regarding how we will apply discretion to unit pricing under the Fund's Constitution, including the appropriate level of buy-sell spreads. We also maintain a register of any exercise of our unit pricing discretion which is outside the scope of the unit pricing policy. A copy of the unit pricing policy and register are available from us on request.

### Compliance Plan

The Fund has a compliance plan which sets out the procedures for the Responsible Entity to comply with the Corporations Act and the Constitution. This plan is overseen by a compliance committee and the Responsible Entity's compliance with it is audited annually.

### Fund Constitution

The Fund's Constitution sets out the terms and conditions under which it operates, as well as many of the rights, liabilities, duties and obligations of investors and Invesco. It also sets out the manner in which investor meetings are convened and conducted.

We may vary or amend the Constitution without the approval of investors where we reasonably consider the change will not adversely affect investors' rights. Amendments to the Corporations Act governing managed investments and relevant ASIC relief can also affect the provisions of the Constitution.

Your liability is limited by the Constitution to your investment in the Fund. However, because the courts have not finally determined this matter, we cannot give absolute assurance in this regard. You are also liable to indemnify Invesco for any duties, taxes and charges referable to you.

## 11. Glossary

The following terms are defined in this PDS as follows:

<b>Term</b>	<b>Definition</b>
<b>ASIC</b>	Australian Securities and Investments Commission
<b>Business Day</b>	A day on which banks are open for business in Melbourne but excluding a Saturday, Sunday, public holiday, or such other day as we may determine from time to time
<b>Constitution</b>	The trust deed establishing the Fund as amended from time to time
<b>Corporations Act</b>	The Corporations Act 2001 (Cth)
<b>Custodian</b>	J.P. Morgan, the custodian and administrator for the Fund
<b>Derivative</b>	Financial derivative instrument, being a security whose price is dependent upon or derived from one or more underlying assets
<b>FATCA</b>	The Foreign Account Tax Compliance Act (US)
<b>CRS</b>	OECD Common Reporting Standard
<b>Fund</b>	Invesco Wholesale Global Targeted Returns Fund
<b>IDPS</b>	An Investor Directed Portfolio Service, Investor Directed Portfolio Service - like scheme, master trust, wrap account or equivalent superannuation service
<b>Investment Manager</b>	Invesco Asset Management Limited, the investment manager of the Underlying Fund
<b>J.P. Morgan</b>	JPMorgan Chase Bank N.A., the custodian and administrator for the Fund
<b>OTC</b>	Over the counter
<b>SICAV</b>	An open-ended investment company organised as a societe anonyme under the laws of Luxembourg and qualified as a societe d'investissement a capital variable (SICAV)
<b>Responsible Entity</b>	Invesco Australia Limited ABN 48 001 693 232, AFSL 239916
<b>UCIs</b>	An open-ended undertaking for collective investment
<b>UCITS</b>	An undertaking for collective investment in transferrable securities within the meaning of the UCITS Directive
<b>UCITS Directive</b>	The EU Council Directive 2009/65/EC of 13 July 2009 on the Coordination of Laws, Regulations and Administrative Provisions relating to Undertakings for Collective Investment in Transferable Securities (UCITS), as amended, supplemented or consolidated
<b>Underlying Fund</b>	Invesco Global Targeted Returns Fund - Class I, a sub-fund of Invesco Funds, SICAV, that is hedged in Australian Dollars