WELLS FARGO & COMPANY/MN
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Title of Each Class of Securities Offered	**Maximum Aggregate Offering Price**	**Amount of Registration Fee[(1)]**
Medium Term Notes, Principal at Risk Securities Linked to the S&P 500® Index	$3,414,000	$343.79

(1) The total filing fee of $343.79 is calculated in accordance with Rule 457(r) of the Securities Act of 1933 (the Securities Act) and will be paid by wire transfer within the time required by Rule 456(b) of the Securities Act.

Pricing Supplement No. 623 dated March 2, 2016 (To Market Measure Supplement dated March 18, 2015, Prospectus Supplement

dated March 18, 2015 and Prospectus dated March 18, 2015)

Wells Fargo & Company

Medium-Term Notes, Series K

Equity Index Linked Securities

$3,414,000

Enhanced Return Securities

With Capped Upside and 1-to-1 Downside Exposure
(Principal at Risk Securities Linked to the S&P 500® Index)

Unlike ordinary debt securities, the securities do not pay interest or repay a fixed amount of principal at maturity. Instead, the securities provide for a payment on the stated maturity date (April 6, 2018) that may be greater than, equal to or less than the $1,000 face amount per security, depending on the performance of the S&P 500® Index as measured from the trade date to the determination date (April 3, 2018). If the S&P 500® Index increases, the securities offer 3 times participation in that appreciation, **subject to the maximum settlement amount ($1,328.50 for each $1,000 face amount security)**. However, if the level of the S&P 500® Index declines, you will have full downside exposure to that decline and you will lose some, and possibly all, of the face amount of your securities at maturity. In exchange for the upside leverage feature, you must be willing to forgo (i) a return on the face amount of the securities in excess of the maximum return at maturity of 32.85% (which results from the maximum settlement amount of $1,328.50 per $1,000 face amount security), (ii) interest on the securities and (iii) dividends paid on the stocks included in the S&P 500® Index. **You must also be willing to accept the risk that, if the level of the S&P 500® Index declines, you will lose some, and possibly all, of the face amount of your securities at maturity.** All payments on the securities are subject to the credit risk of Wells Fargo & Company, and you will have no ability to pursue any securities included in the S&P 500® Index for payment. If Wells Fargo & Company defaults on its obligations, you could lose some or all of your investment.

To determine your payment at stated maturity, we will calculate the underlier return, which is the percentage increase or decrease in the final underlier level on the determination date from the initial underlier level (set on the trade date). On the stated maturity date, for each $1,000 face amount security:

if the underlier return is *positive* (the final underlier level is *greater than* the initial underlier level), you will receive an amount in cash equal to the *sum* of (i) $1,000 *plus* (ii) the *product* of (a) $1,000 *times* (b) the upside participation rate of 3 *times* (c) the underlier return, subject to the maximum settlement amount;

if the underlier return is *zero* or *negative* (the final underlier level is *equal to* or *less than* the initial underlier level), you will receive an amount in cash equal to the *sum* of (i) $1,000 *plus* (ii) the *product* of (a) the underlier return *times* (b) $1,000. **If the final underlier level is *less than* the initial underlier level, the**

amount you will receive at maturity will be less than $1,000 and may be zero.

The securities will not be listed on any securities exchange and are designed to be held to maturity.

On the date of this pricing supplement, the estimated value of the securities is $988.84 per $1,000 face amount security. The estimated value of the securities was determined for us by Wells Fargo Securities, LLC using its proprietary pricing models. It is not an indication of actual profit to us or to Wells Fargo Securities, LLC or any of our other affiliates, nor is it an indication of the price, if any, at which Wells Fargo Securities, LLC or any other person may be willing to buy the securities from you at any time after issuance. See Investment Description in this pricing supplement.

The securities have complex features and investing in the securities involves risks not associated with an investment in conventional debt securities. See Risk Factors herein on page PRS-8.

The securities are unsecured obligations of Wells Fargo & Company and all payments on the securities are subject to the credit risk of Wells Fargo & Company. The securities are not deposits or other obligations of a depository institution and are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other governmental agency of the United States or any other jurisdiction.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this pricing supplement or the accompanying market measure supplement, prospectus supplement and prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Original Offering Price	Agent Discount[1]	Proceeds to Wells Fargo
Per Security	$1,000.00	$0.00	$1,000.00
Total	$3,414,000.00	$0.00	$3,414,000.00

[1] Wells Fargo Securities, LLC, a wholly owned subsidiary of Wells Fargo & Company, is the agent for the distribution of the securities and is acting as principal. See Investment Description in this pricing supplement for further information.

Wells Fargo Securities

Investment Description

The Principal at Risk Securities Linked to the S&P 500® Index are senior unsecured debt securities of Wells Fargo & Company that do not pay interest or repay a fixed amount of principal at maturity. Instead, the securities provide for a payment at maturity that may be greater than, equal to or less than the face amount of the securities depending on the performance of the S&P 500® Index (the underlier) from the initial underlier level to the final underlier level. The securities provide:

(i) the possibility of a leveraged return at maturity if the level of the underlier increases from the initial underlier level to the final underlier level, provided that the potential total return at maturity of the securities will be effectively capped by the maximum settlement amount; and

(ii) full exposure to the decrease in the level of the underlier from the initial underlier level if the final underlier level is less than the initial underlier level.

If the final underlier level is less than the initial underlier level, you will lose some, and possibly all, of the face amount of your securities at maturity. All payments on the securities are subject to the credit risk of Wells Fargo.

The underlier is an equity index that is intended to provide an indication of the pattern of common stock price movement in the large capitalization segment of the United States equity market. Wells Fargo & Company is one of the companies currently included in the underlier.

You should read this pricing supplement together with the market measure supplement dated March 18, 2015, the prospectus supplement dated March 18, 2015 and the prospectus dated March 18, 2015 for additional information about the securities. Information included in this pricing supplement supersedes information in the market measure supplement, prospectus supplement and prospectus to the extent it is different from that information. Certain defined terms used but not defined herein have the meanings set forth in the prospectus supplement.

You may access the market measure supplement, prospectus supplement and prospectus on the SEC website www.sec.gov as follows (or if such address has changed, by reviewing our filing for the relevant date on the SEC website):

Market Measure Supplement dated March 18, 2015 filed with the SEC on March 18, 2015:
http://www.sec.gov/Archives/edgar/data/72971/000119312515096591/d890724d424b2.htm

Prospectus Supplement dated March 18, 2015 and Prospectus dated March 18, 2015 filed with the SEC on March 18, 2015:
http://www.sec.gov/Archives/edgar/data/72971/000119312515096449/d890684d424b2.htm

The original offering price of each security includes certain costs that are borne by you. Because of these costs, the estimated value of the securities on the trade date is less than the original offering price. The costs included in the original offering price relate to selling, structuring, hedging and issuing the securities, as well as to our funding considerations for debt of this type.

The costs related to selling, structuring, hedging and issuing the securities include (i) the agent discount (if any), (ii) the projected profit that our hedge counterparty (which may be one of our affiliates) expects to realize for assuming risks inherent in hedging our obligations under the securities and (iii) hedging and other costs relating to the offering of the securities.

Our funding considerations take into account the higher issuance, operational and ongoing management costs of market-linked debt such as the securities as compared to our conventional debt of the same maturity, as well as our liquidity needs and preferences. Our funding considerations are reflected in the fact that we determine the economic terms of the securities based on an assumed funding rate that is generally lower than the interest rates implied by secondary market prices for our debt obligations and/or by other traded instruments referencing our debt obligations, which we refer to as our "secondary market rates." As discussed below, our secondary market rates are used in determining the estimated value of the securities.

If the costs relating to selling, structuring, hedging and issuing the securities were lower, or if the assumed funding rate we use to determine the economic terms of the securities were higher, the economic terms of the securities would be more favorable to you and the estimated value would be higher. The estimated value of the securities as of the trade date is set forth on the cover page of this pricing supplement.

The S&P 500 Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by Wells Fargo & Company ("WFC"). Standard & Poor's®, S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by WFC. The securities are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

Determining the estimated value

Our affiliate, Wells Fargo Securities, LLC (WFS), calculated the estimated value of the securities set forth on the cover page of this pricing supplement based on its proprietary pricing models. Based on these pricing models and related market inputs and assumptions referred to in this section below, WFS determined an estimated value for the securities by estimating the value of the combination of hypothetical financial instruments that would replicate the payout on the securities, which combination consists of a non-interest bearing, fixed-income bond (the debt component) and one or more derivative instruments underlying the economic terms of the securities (the derivative component).

The estimated value of the debt component is based on a reference interest rate, determined by WFS as of a recent date, that generally tracks our secondary market rates. Because WFS does not continuously calculate our reference interest rate, the reference interest rate used in the calculation of the estimated value of the debt component may be higher or lower than our secondary market rates at the time of that calculation. As noted above, we determine the economic terms of the securities based upon an assumed funding rate that is generally lower than our secondary market rates. In contrast, in determining the estimated value of the securities, we value the debt component using a reference interest rate that generally tracks our secondary market rates. Because the reference interest rate is generally higher than the assumed funding rate, using the reference interest rate to value the debt component generally results in a lower estimated value for the debt component, which we believe more closely approximates a market valuation of the debt component than if we had used the assumed funding rate.

WFS calculated the estimated value of the derivative component based on a proprietary derivative-pricing model, which generated a theoretical price for the derivative instruments that constitute the derivative component based on various inputs, including the derivative component factors identified in Risk Factors The Value Of The Securities Prior To Stated Maturity Will Be Affected By Numerous Factors, Some Of Which Are Related In Complex Ways. These inputs may be market-observable or may be based on assumptions made by WFS in its discretion.

The estimated value of the securities determined by WFS is subject to important limitations. See Risk Factors The Estimated Value Of The Securities Is Determined By Our Affiliate s Pricing Models, Which May Differ From Those Of Other Dealers and Risk Factors Our Economic Interests And Those Of Any Dealer Participating In The Offering Are Potentially Adverse To Your Interests.

Valuation of the securities after issuance

The estimated value of the securities is not an indication of the price, if any, at which WFS or any other person may be willing to buy the securities from you in the secondary market. The price, if any, at which WFS or any of its affiliates may purchase the securities in the secondary market will be based upon WFS s proprietary pricing models and will fluctuate over the term of the securities due to changes in market conditions and other relevant factors. However, absent changes in these market conditions and other relevant factors, except as otherwise described in the following paragraph, any secondary market price will be lower than the estimated value on the trade date because the secondary market price will be reduced by a bid-offer spread, which may vary depending on the aggregate face amount of the securities to be purchased in the secondary market transaction, and the expected cost of unwinding any related hedging transactions. Accordingly, unless market conditions and other relevant factors change significantly in your favor, any secondary market price for the securities is likely to be less than the original offering price.

If WFS or any of its affiliates makes a secondary market in the securities at any time up to the original issue date or during the 3-month period following the original issue date, the secondary market price offered by WFS or any of its affiliates will be increased by an amount reflecting a portion of the costs associated with selling, structuring, hedging and issuing the securities that are included in the original offering price. Because this portion of the costs is not fully deducted upon issuance, any secondary market price offered by WFS or any of its affiliates during this period will be higher than it would be if it were based solely on WFS s proprietary pricing models less the bid-offer spread and hedging unwind costs described above. The amount of this increase in the secondary market price will decline steadily to zero over this 3-month period. If you hold the securities through an account at WFS or any of its affiliates, we expect that this increase will also be reflected in the value indicated for the securities on your brokerage account statement.

If WFS or any of its affiliates makes a secondary market in the securities, WFS expects to provide those secondary market prices to any unaffiliated broker-dealers through which the securities are held and to commercial pricing vendors. If you hold your securities through an account at a broker-dealer other than WFS or any of its affiliates, that broker-dealer may obtain market prices for the securities from WFS (directly or indirectly), but could also obtain such market prices from other sources, and may be willing to purchase the securities at any given time at a price that differs from the price at which WFS or any of its affiliates is willing to purchase the securities. As a result, if you hold your securities through an account at a broker-dealer other than WFS or any of its affiliates, the value of the securities on your brokerage account statement may be different than if you held your securities at WFS or any of its affiliates.

The securities will not be listed or displayed on any securities exchange or any automated quotation system. Although WFS and/or its affiliates may buy the securities from investors, they are not obligated to do so and are not required to make a market for the securities. There can be no assurance that a secondary market will develop.

Investor Considerations

We have designed the securities for investors who:

- seek leveraged exposure at the upside participation rate to any upside performance of the underlier, as measured by the extent (if any) to which the final underlier level is greater than the initial underlier level, subject to the maximum settlement amount;
- understand that if the final underlier level is less than the initial underlier level, they will be fully exposed to the decrease in the underlier from the initial underlier level, and will lose some, and possibly all, of the face amount of the securities;
- are willing to forgo interest payments on the securities and dividends on securities included in the underlier; and
- are willing to hold the securities until maturity.

The securities are not designed for, and may not be a suitable investment for, investors who:

- seek a liquid investment or are unable or unwilling to hold the securities to maturity;
- are unwilling to accept the risk that the final underlier level may decrease from the initial underlier level;
- seek uncapped exposure to the upside performance of the underlier;
- seek certainty of receiving the face amount of the securities at stated maturity;
- are unwilling to purchase securities with an estimated value as of the trade date that is lower than the original offering price, as set forth on the cover page;
- seek current income;
- are unwilling to accept the risk of exposure to the United States equity market;

seek exposure to the underlier but are unwilling to accept the risk/return trade-offs inherent in the payment at stated maturity for the securities;

are unwilling to accept the credit risk of Wells Fargo to obtain exposure to the underlier generally, or to the exposure to the underlier that the securities provide specifically; or

prefer the lower risk of fixed income investments with comparable maturities issued by companies with comparable credit ratings.

Terms of the Securities

Underlier:	S&P 500® Index
Trade Date:	March 2, 2016.
Original Issue Date (settlement date):	March 9, 2016. (T+5)
Original Offering Price:	$1,000 per security.
Face Amount:	$1,000 per security. References in this pricing supplement to a "security" are to a security with a face amount of $1,000.
Cash Settlement Amount:	On the stated maturity date, you will be entitled to receive a cash payment per security in U.S. dollars equal to the cash settlement amount. The "cash settlement amount" per security will equal: if the final underlier level is *greater than* or *equal to* the cap level, the maximum settlement amount; if the final underlier level is *greater than* the initial underlier level but *less than* the cap level, the *sum* of (i) $1,000 *plus* (ii) the *product* of (a) $1,000 *times* (b) the upside participation rate *times* (c) the underlier return; if the final underlier level is *equal to* or *less than* the initial underlier level, the *sum* of (i) $1,000 *plus* (ii) the *product* of (a) the underlier return *times* (b) $1,000. **If the final underlier level is less than the initial underlier level, you will lose some, and possibly all, of the face amount of your securities at maturity.** All calculations with respect to the cash settlement amount will be rounded to the nearest one hundred-thousandth, with five one-millionths rounded upward (e.g., 0.000005 would be rounded to 0.00001); and the cash settlement amount will be rounded to the nearest cent, with one-half cent rounded upward.
Stated Maturity Date:	The "stated maturity date" is April 6, 2018. If the determination date is postponed, the stated maturity date will be postponed to the third business day after the determination date as postponed. See "Determination Date" and "Additional Terms of the Securities—Market Disruption Events" for information about the circumstances that may result in a postponement of the determination date. If the stated maturity date is not a business day, any payment required to be made on the securities on the stated maturity date will be made on the next succeeding business day with the same force and effect as if it had been made on the stated maturity date. A "business day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close in New York, New York. The securities are not subject to redemption by Wells Fargo or repayment at the option of any holder of the securities prior to the stated maturity date.

Initial Underlier Level:	1,986.45, the closing level of the underlier on the trade date.
Closing Level:	The "closing level" of the underlier on any trading day means the official closing level of the underlier reported by the underlier sponsor (as defined below) on such trading day, as obtained by the calculation agent on such trading day from the licensed third-party market data vendor contracted by the calculation agent at such time; in particular, taking into account the decimal precision and/or rounding convention employed by such licensed third-party market data vendor on such date. Currently, the calculation agent obtains market data from Thomson Reuters Ltd., but the calculation agent may change its market data vendor at any time without notice. The foregoing provisions of this definition of "closing level" are subject to the provisions set forth herein under "Additional Terms of the Securities—Market Disruption Events," "Adjustments to the Underlier" and "Discontinuance of the Underlier."
Final Underlier Level:	The "final underlier level" will be the closing level of the underlier on the determination date.

Underlier Return:	The "underlier return" will be the *quotient* of (i) the final underlier level *minus* the initial underlier level *divided by* (ii) the initial underlier level, expressed as a percentage.
Maximum Settlement Amount:	The "maximum settlement amount" is 132.85% of the face amount per security ($1,328.50 per security). As a result of the maximum settlement amount, the maximum return on the face amount of the securities at maturity will be 32.85% of the face amount.
Cap Level:	The "cap level" is 2,203.966275, which is 110.95% of the initial underlier level.
Upside Participation Rate:	3
Determination Date:	The determination date is April 3, 2018. If the originally scheduled determination date is not a trading day, the determination date will be postponed to the next succeeding trading day. The determination date is also subject to postponement due to the occurrence of a market disruption event. See "Additional Terms of the Securities—Market Disruption Events."
Trading Day:	A "trading day" means a day, as determined by the calculation agent, on which (i) the relevant stock exchanges with respect to each security underlying the underlier are scheduled to be open for trading for their respective regular trading sessions and (ii) each related futures or options exchange is scheduled to be open for trading for its regular trading session.
Relevant Stock Exchange:	The "relevant stock exchange" for any security underlying the underlier means the primary exchange or quotation system on which such security is traded, as determined by the calculation agent.
Related Futures or Options Exchange:	The "related futures or options exchange" for the underlier means an exchange or quotation system where trading has a material effect (as determined by the calculation agent) on the overall market for futures or options contracts relating to the underlier.
Calculation Agent:	Wells Fargo Securities, LLC
No Listing:	The securities will not be listed on any securities exchange or automated quotation system.
Material Tax Consequences:	For a discussion of the material U.S. federal income and certain estate tax consequences of the ownership and disposition of the securities, see "United States Federal Tax Considerations."
Agent:	Wells Fargo Securities, LLC, a wholly owned subsidiary of Wells Fargo & Company. The agent may resell the securities to other securities dealers at the original offering price of the securities. The agent or another affiliate of ours expects to realize hedging profits projected by its proprietary pricing models to the extent it assumes the risks inherent in hedging our obligations under the securities. If any dealer participating in the distribution of the securities or any of its affiliates conducts hedging activities for us in connection with the securities, that dealer or its affiliate will expect to realize a profit projected by its proprietary pricing models from such hedging activities. Any such projected profit will be in addition to any discount or concession received in connection with the sale of the securities to you.
Denominations:	$1,000 and any integral multiple of $1,000.

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Hypothetical Payout Profile

The following profile is based on the maximum settlement amount of 132.85% of the face amount or $1,328.50 per security and an upside participation rate of 3. This graph has been prepared for purposes of illustration only. Your actual return will depend on the actual final underlier level and whether you hold your securities to maturity.

Risk Factors

The securities have complex features and investing in the securities will involve risks not associated with an investment in conventional debt securities. You should carefully consider the risk factors set forth below as well as the other information contained in this pricing supplement and the accompanying market measure supplement, prospectus supplement and prospectus, including the documents they incorporate by reference. As described in more detail below, the value of the securities may vary considerably before the stated maturity date due to events that are difficult to predict and are beyond our control. You should reach an investment decision only after you have carefully considered with your advisors the suitability of an investment in the securities in light of your particular circumstances.

You May Lose Up To All Of Your Investment.

We will not repay you a fixed amount on the securities on the stated maturity date. The cash settlement amount will depend on the direction of and percentage change in the final underlier level relative to the initial underlier level and the other terms of the securities. Because the level of the underlier will be subject to market fluctuations, the cash settlement amount you receive may be more or less, and possibly significantly less, than the original offering price of your securities.

If the final underlier level is less than the initial underlier level, the cash settlement amount will be less than the face amount per security and you will be fully exposed to the decline in the underlier. As a result, you may receive less than, and possibly lose all of, the face amount per security at maturity even if the level of the underlier is greater than or equal to the initial underlier level at certain points during the term of the securities.

Even if the final underlier level is greater than the initial underlier level, the amount you receive at stated maturity may only be slightly greater than the face amount, and your yield on the securities may be less than the yield you would earn if you bought a traditional interest-bearing debt security of Wells Fargo or another issuer with a similar credit rating with the same stated maturity date.

Your Return Will Be Limited By The Maximum Settlement Amount And May Be Lower Than The Return On A Direct Investment In The Underlier.

Your return on the securities will be subject to a maximum settlement amount. The opportunity to participate in the possible increases in the level of the underlier through an investment in the securities will be limited because the cash settlement amount will not exceed the maximum settlement amount. Furthermore, the effect of the upside participation rate will be progressively reduced for all final underlier levels exceeding the final underlier level at which the maximum settlement amount is reached, which we refer to as the cap level.

No Periodic Interest Will Be Paid On The Securities.

No periodic payments of interest will be made on the securities. However, if the agreed-upon tax treatment is successfully challenged by the Internal Revenue Service (the IRS), you may be required to recognize taxable income over the term of the securities. You should review the section of this pricing supplement entitled United States Federal Tax Considerations.

The Securities Are Subject To The Credit Risk Of Wells Fargo.

The securities are our obligations and are not, either directly or indirectly, an obligation of any third party. Any amounts payable under the securities are subject to our creditworthiness, and you will have no ability to pursue any securities included in the underlier for payment. As a result, our actual and perceived creditworthiness may affect the value of the securities and, in the event we were to default on our obligations, you may not receive any amounts owed to you under the terms of the securities.

The Estimated Value Of The Securities On The Trade Date, Based On WFS s Proprietary Pricing Models, Is Less Than The Original Offering Price.

The original offering price of the securities includes certain costs that are borne by you. Because of these costs, the estimated value of the securities on the trade date is less than the original offering price. The costs included in the original offering price relate to selling, structuring, hedging and issuing the securities, as well as to our funding considerations for debt of this type. The costs related to selling, structuring, hedging and issuing the securities include (i) the agent discount (if any), (ii) the projected profit that our hedge counterparty (which may be one of our affiliates) expects to realize for assuming risks inherent in hedging our obligations under the securities and (iii) hedging and other costs relating to the offering of the securities. Our funding considerations are reflected in the fact that we determine the economic terms of the securities based on an assumed funding rate that is generally lower than our secondary market rates. If the costs relating to selling, structuring, hedging and issuing the securities were lower, or if the assumed funding rate we use to determine the economic terms of the securities were higher, the economic terms of the securities would be more favorable to you and the estimated value would be higher.

The Estimated Value Of The Securities Is Determined By Our Affiliate s Pricing Models, Which May Differ From Those Of Other Dealers.

The estimated value of the securities was determined for us by WFS using its proprietary pricing models and related market inputs and assumptions referred to above under Investment Description Determining the estimated value.

Certain inputs to these models may be determined by WFS in its discretion. WFS s views on these inputs may differ from other dealers views, and WFS s estimated value of the securities may be higher, and perhaps materially higher, than the estimated value of the securities that would be determined by other dealers in the market. WFS s models and its inputs and related assumptions may prove to be wrong and therefore not an accurate reflection of the value of the securities.

The Estimated Value Of The Securities Is Not An Indication Of The Price, If Any, At Which WFS Or Any Other Person May Be Willing To Buy The Securities From You In The Secondary Market.

The price, if any, at which WFS or any of its affiliates may purchase the securities in the secondary market will be based on WFS s proprietary pricing models and will fluctuate over the term of the securities as a result of changes in the market and other factors described in the next risk factor. Any such secondary market price for the securities will also be reduced by a bid-offer spread, which may vary depending on the aggregate face amount of the securities to be purchased in the secondary market transaction, and the expected cost of unwinding any related hedging transactions. Unless the factors described in the next risk factor change significantly in your favor, any such secondary market price for the securities is likely to be less than the original offering price.

If WFS or any of its affiliates makes a secondary market in the securities at any time up to the original issue date or during the 3-month period following the original issue date, the secondary market price offered by WFS or any of its affiliates will be increased by an amount reflecting a portion of the costs associated with selling, structuring, hedging and issuing the securities that are included in the original offering price. Because this portion of the costs is not fully deducted upon issuance, any secondary market price offered by WFS or any of its affiliates during this period will be higher than it would be if it were based solely on WFS s proprietary pricing models less the bid-offer spread and hedging unwind costs described above. The amount of this increase in the secondary market price will decline steadily to zero over this 3-month period. If you hold the securities through an account at WFS or any of its affiliates, we expect that this increase will also be reflected in the value indicated for the securities on your brokerage account statement. If you hold your securities through an account at a broker-dealer other than WFS or any of its affiliates, the value of the securities on your brokerage account statement may be different than if you held your securities at WFS or any of its affiliates, as discussed above under Investment Description.

The Value Of The Securities Prior To Stated Maturity Will Be Affected By Numerous Factors, Some Of Which Are Related In Complex Ways.

The value of the securities prior to stated maturity will be affected by the level of the underlier at that time, interest rates at that time and a number of other factors, some of which are interrelated in complex ways. The effect of any one factor may be offset or magnified by the effect of another factor. The following factors, which we refer to as the derivative component factors, are expected to affect the value of the securities. When we refer to the value of your security, we mean the value that you could receive for your security if you are able to sell it in the open market before the stated maturity date.

Underlier Performance. The value of the securities prior to maturity will depend substantially on the level of the underlier. The price at which you may be able to sell the securities before stated maturity may be at a discount, which could be substantial, from their original offering price, if the level of the underlier at such time is less than, equal to or not sufficiently above the initial underlier level.

Interest Rates. The value of the securities may be affected by changes in the interest rates in the U.S. markets.

Volatility Of The Underlier. Volatility is the term used to describe the size and frequency of market fluctuations. The value of the securities may be affected if the volatility of the underlier changes.

Time Remaining To Maturity. The value of the securities at any given time prior to maturity will likely be different from that which would be expected based on the then-current level of the underlier. This difference will most likely reflect a discount due to expectations and uncertainty concerning the level of the underlier during the period of time still remaining to the maturity date. In general, as the time remaining to maturity decreases, the value of the securities will approach the amount that could be payable at maturity based on the then-current level of the underlier.

Dividend Yields On The Securities Included In The Underlier. The value of the securities may be affected by the dividend yields on securities included in the underlier.

In addition to the derivative component factors, the value of the securities will be affected by actual or anticipated changes in our creditworthiness, as reflected in our secondary market rates. You should understand that the impact of one of the factors specified above, such as a change in interest rates, may offset some or all of any change in the value of the securities attributable to another factor, such as a change in the level of the underlier. Because several factors are expected to affect the value of the securities, changes in the level of the underlier may not result in a comparable change in the value of the securities. We anticipate that the value of the securities will always be at a discount to the maximum settlement amount.

The Securities Will Not Be Listed On Any Securities Exchange And We Do Not Expect A Trading Market For The Securities To Develop.

The securities will not be listed or displayed on any securities exchange or any automated quotation system. Although the agent and/or its affiliates may purchase the securities from holders, they are not obligated to do so and are not required to make a market for the securities. There can be no assurance that a secondary market will develop. Because we do not expect that any market makers will participate in a secondary market for the securities, the price at which you may be able to sell your securities is likely to depend on the price, if any, at which the agent is willing to buy your securities.

If a secondary market does exist, it may be limited. Accordingly, there may be a limited number of buyers if you decide to sell your securities prior to stated maturity. This may affect the price you receive upon such sale. Consequently, you should be willing to hold the securities to stated maturity.

Your Return On The Securities Could Be Less Than If You Owned Securities Included In The Underlier.

Your return on the securities will not reflect the return you would realize if you actually owned the securities included in the underlier and received the dividends and other payments paid on those securities. This is in part because the cash settlement amount payable at stated maturity will be determined by reference to the final underlier level, which will be calculated by reference to the prices of the securities in the underlier without taking into consideration the value of dividends and other payments paid on those securities. In addition, the cash settlement amount will not be greater than the maximum settlement amount.

Historical Levels Of The Underlier Should Not Be Taken As An Indication Of The Future Performance Of The Underlier During The Term Of The Securities.

The trading prices of the securities included in the underlier will determine the cash settlement amount payable at maturity to you. As a result, it is impossible to predict whether the closing level of the underlier will fall or rise compared to the initial underlier level. Trading prices of the securities included in the underlier will be influenced by complex and interrelated political, economic, financial and other factors that can affect the markets in which those securities are traded and the values of those securities themselves. Accordingly, any historical levels of the underlier do not provide an indication of the future performance of the underlier.

Changes That Affect The Underlier May Adversely Affect The Value Of The Securities And The Amount You Will Receive At Stated Maturity.

The policies of the underlier sponsor concerning the calculation of the underlier and the addition, deletion or substitution of securities comprising the underlier and the manner in which the underlier sponsor takes account of certain changes affecting such securities may affect the level of the underlier and, therefore, may affect the value of the securities and the cash settlement amount payable at maturity. The underlier sponsor may discontinue or suspend calculation or dissemination of the underlier or materially alter the methodology by which it calculates the underlier. Any such actions could adversely affect the value of the securities.

We Cannot Control Actions By Any Of The Unaffiliated Companies Whose Securities Are Included In The Underlier.

Actions by any company whose securities are included in the underlier may have an adverse effect on the price of its security, the final underlier level and the value of the securities. We are currently one of the companies included in the underlier. The unaffiliated companies included in the underlier will not be involved in the offering of the securities and will have no obligations with respect to the securities, including any obligation to take our or your interests into consideration for any reason. These companies will not receive any of the proceeds of the offering of the securities and will not be responsible for, and will not have participated in, the determination of the timing of, prices for, or quantities of, the securities to be issued. These companies will not be involved with the administration, marketing or trading of the securities and will have no obligations with respect to any amounts to be paid to you on the securities.

We And Our Affiliates Have No Affiliation With The Underlier Sponsor And Have Not Independently Verified Its Public Disclosure Of Information.

We and our affiliates are not affiliated in any way with the underlier sponsor and have no ability to control or predict its actions, including any errors in or discontinuation of disclosure regarding the methods or policies relating to the calculation of the underlier. We have derived the information about the underlier sponsor and the underlier contained in this pricing supplement from publicly available information, without independent verification. You, as an investor in the securities, should make your own investigation into the underlier and the underlier sponsor. The underlier sponsor is not involved in the offering of the securities made hereby in any way and has no obligation to consider your interest as an owner of securities in taking any actions that might affect the value of the securities.

The Stated Maturity Date Will Be Postponed If The Determination Date Is Postponed.

The determination date will be postponed if the calculation agent determines that a market disruption event has occurred or is continuing on the determination date or if the originally scheduled determination date is not a trading day. If such a postponement occurs, the stated maturity date will be postponed until three business days after the postponed determination date.

Our Economic Interests And Those Of Any Dealer Participating In The Offering Are Potentially Adverse To Your Interests.

You should be aware of the following ways in which our economic interests and those of any dealer participating in the distribution of the securities, which we refer to as a participating dealer, are potentially adverse to your interests as an investor in the securities. In engaging in certain of the activities described below, our affiliates or any participating dealer or its affiliates may take actions that may adversely affect the value of and your return on the securities, and in so doing they will have no obligation to consider your interests as an investor in the securities. Our affiliates or any participating dealer or its affiliates may realize a profit from these activities even if investors do not receive a favorable investment return on the securities.

The calculation agent is our affiliate and may be required to make discretionary judgments that affect the return you receive on the securities. WFS, which is our affiliate, will be the calculation agent for the securities. As calculation agent, WFS will determine the final underlier level and may be required to make other determinations that affect the return you receive on the securities at maturity. In making these determinations, the calculation agent may be required to make discretionary judgments, including determining whether a market disruption event has occurred on the scheduled determination date, which may result in postponement of the determination date; determining the final underlier level if the determination date is postponed to the last day to which it may be postponed and a market disruption event occurs on that day; if the underlier is discontinued, selecting a successor underlier or, if no successor underlier is available, determining the final underlier level; and determining whether to adjust the closing level on the determination date in the event of certain changes in or modifications to the underlier. In making these discretionary judgments, the fact that WFS is our affiliate may cause it to have economic interests that are adverse to your interests as an investor in the securities, and WFS s determinations as calculation agent may adversely affect your return on the securities.

The estimated value of the securities was calculated by our affiliate and is therefore not an independent third-party valuation. WFS calculated the estimated value of the securities set forth on the cover page of this pricing supplement, which involved discretionary judgments by WFS, as described under Risk Factors The Estimated Value Of The Securities Is Determined By Our Affiliate s Pricing Models, Which May Differ From Those Of Other Dealers above. Accordingly, the estimated value of the securities set forth on the cover page of this pricing supplement is not an independent third-party valuation.

Research reports by our affiliates or any participating dealer or its affiliates may be inconsistent with an investment in the securities and may adversely affect the level of the underlier. Our affiliates or any dealer participating in the offering of the securities or its affiliates may, at present or in the future, publish research reports on the underlier or the companies whose securities are included in the underlier. This research is modified from time to time without notice and may, at present or in the future, express opinions or provide recommendations that are inconsistent with purchasing or holding the securities. Any research reports on the underlier or the companies whose securities are included in the underlier could adversely affect the level of the underlier and, therefore, adversely affect the value of and your return on the securities. You are encouraged to derive information concerning the underlier from multiple sources and should not rely on the views expressed by us or our affiliates or any participating dealer or its affiliates. In addition, any research reports on the underlier or the companies whose securities are included in the underlier published on or prior to the trade date could result in an increase in the level of the underlier on the trade date, which would adversely affect investors in the securities by increasing the level at which the underlier must close on the determination date in order for investors in the securities to receive a favorable return.

Business activities of our affiliates or any participating dealer or its affiliates with the companies whose securities are included in the underlier may adversely affect the level of the underlier. Our affiliates or any participating dealer or its affiliates may, at present or in the future, engage in business with the companies whose securities are included in the underlier, including making loans to those companies (including exercising creditors remedies with respect to such loans), making equity investments in those companies or providing investment banking, asset management or other advisory services to those companies. These business activities could adversely affect the level of the underlier and, therefore, adversely affect the value of and your return on the securities. In addition, in the course of these business activities, our affiliates or any participating dealer or its affiliates may acquire non-public information about one or more of the companies whose securities are included in the underlier. If our affiliates or any participating dealer or its affiliates do acquire such non-public information, we and they are not obligated to disclose such non-public information to you.

Hedging activities by our affiliates or any participating dealer or its affiliates may adversely affect the level of the underlier. We expect to hedge our obligations under the securities through one or more hedge counterparties, which may include our affiliates or any participating dealer or its affiliates. Pursuant to such hedging activities, our hedge counterparties may acquire securities included in the underlier or listed or over-the-counter derivative or synthetic instruments related to the underlier or such securities. Depending on, among other things, future market conditions, the aggregate amount and the composition of such positions are likely to vary over time. To the extent that our hedge counterparties have a long hedge position in any of the securities included in the underlier, or derivative or synthetic instruments related to the underlier or such securities, they may liquidate a portion of such holdings at or about the time of the determination date or at or about the time of a change in the securities included in the underlier. These hedging activities could potentially adversely affect the level of the underlier and, therefore, adversely affect the value of and your return on the securities.

Trading activities by our affiliates or any participating dealer or its affiliates may adversely affect the level of the underlier. Our affiliates or any participating dealer or its affiliates may engage in trading in the securities included in the underlier and other instruments relating to the underlier or such securities on a regular basis as part of their general broker-dealer and other businesses. Any of these trading activities could potentially adversely affect the level of the underlier and, therefore, adversely affect the value of and your return on the securities.

A participating dealer or its affiliates may realize hedging profits projected by its proprietary pricing models in addition to any selling concession, creating a further incentive for the participating dealer to sell the securities to you. If any participating dealer or any of its affiliates conducts hedging activities for us in connection with the securities, that participating dealer or its affiliates will expect to realize a projected profit from such hedging activities. If a participating dealer receives a concession for the sale of the securities to you, this projected hedging profit will be in addition to the concession, creating a further incentive for the participating dealer to sell the securities to you.

The U.S. Federal Tax Consequences Of An Investment In The Securities Are Unclear. There is no direct legal authority regarding the proper U.S. federal tax treatment of the securities, and we do not plan to request a ruling from the IRS. Consequently, significant aspects of the tax treatment of the securities are uncertain, and the IRS or a court might not agree with the treatment of the securities as prepaid derivative contracts that are open transactions for U.S. federal income tax purposes. If the IRS were successful in asserting an alternative treatment of the securities, the tax consequences of the ownership and disposition of the securities might be materially and adversely affected. In addition, in 2007 the U.S. Treasury Department and the IRS released a notice requesting comments on various issues regarding the U.S. federal income tax treatment of prepaid forward contracts and similar instruments. Any Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the securities, including the character and timing of income or loss and the degree, if any, to which income realized by non-U.S. persons should be subject to withholding tax, possibly with retroactive effect. You should read carefully the discussion under United States Federal Tax Considerations in this pricing supplement. You should also consult your tax adviser regarding the U.S. federal tax consequences of an investment in the securities, as well as tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

Determining Payment at Stated Maturity

On the stated maturity date, you will receive a cash payment per security (the cash settlement amount) calculated as follows:

Hypothetical Returns

The following table illustrates, for a range of hypothetical final underlier levels:

- the hypothetical percentage change from the initial underlier level to the hypothetical final underlier level; and

- the hypothetical pre-tax total return.

Hypothetical underlier return	Hypothetical pre-tax total return
50.00%	32.85%
40.00%	32.85%
20.00%	32.85%
10.95%	32.85%
10.00%	30.00%
5.00%	15.00%
0.00%	0.00%
-5.00%	-5.00%
-10.00%	-10.00%
-25.00%	-25.00%
-50.00%	-50.00%
-75.00%	-75.00%
-100.00%	-100.00%

The above figures are for purposes of illustration only and may have been rounded for ease of analysis. The actual amount you receive at stated maturity and the resulting pre-tax return will depend on the actual final underlier level.

If, for example, the underlier return were determined to be -75.00%, the pre-tax return on your securities at maturity would be -75.00%, as shown in the table above. As a result, if you purchased your securities on the original issue date at the face amount and held them to the stated maturity date, you would lose 75.00% of your investment. In addition, if the underlier return were determined to be 50.00%, the cash settlement amount that we would deliver on your securities at maturity would be capped at the maximum settlement amount, and the pre-tax return on your securities would therefore be capped at 32.85%, as shown in the table above. As a result, if you held your securities to the stated maturity date, you would not benefit from any underlier return in excess of 10.95%.

Additional Terms of the Securities

Wells Fargo will issue the securities as part of a series of senior unsecured debt securities entitled Medium-Term Notes, Series K, which is more fully described in the prospectus supplement. Information included in this pricing supplement supersedes information in the market measure supplement, prospectus supplement and prospectus to the extent that it is different from that information.

Calculation Agent

Wells Fargo Securities, LLC, one of our subsidiaries, will act as initial calculation agent for the securities and may appoint agents to assist it in the performance of its duties. Pursuant to the calculation agent agreement, we may appoint a different calculation agent without your consent and without notifying you.

The calculation agent will determine the cash settlement amount you receive at stated maturity. In addition, the calculation agent will, among other things:

- determine whether a market disruption event or non-trading day has occurred;
- determine if adjustments are required to the closing level of the underlier under various circumstances; and
- if publication of the underlier is discontinued, select a successor underlier (as defined below) or, if no successor underlier is available, determine the closing level of the underlier.

All determinations made by the calculation agent will be at the sole discretion of the calculation agent and, in the absence of manifest error, will be conclusive for all purposes and binding on us and you. The calculation agent will have no liability for its determinations.

Market Disruption Events

A market disruption event means any of the following events as determined by the calculation agent in its sole discretion:

(A) The occurrence or existence of a material suspension of or limitation imposed on trading by the relevant stock exchanges or otherwise relating to securities which then comprise 20% or more of the level of the underlier or any successor underlier at any time during the one-hour period that ends at the close of trading on that day, whether by reason of movements in price exceeding limits permitted by those relevant stock exchanges or otherwise.

(B) The occurrence or existence of a material suspension of or limitation imposed on trading by any related futures or options exchange or otherwise in futures or options contracts relating to the underlier or any successor underlier on any related futures or options exchange at any time during the one-hour period that ends at the close of trading on that day, whether by reason of movements in price exceeding limits permitted by the related futures or options exchange or otherwise.

(C) The occurrence or existence of any event, other than an early closure, that materially disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for, securities that then comprise 20% or more of the level of the underlier or any successor underlier on their relevant stock exchanges at any time during the one-hour period that ends at the close of trading on that day.

(D) The occurrence or existence of any event, other than an early closure, that materially disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for, futures or options contracts relating to the underlier or any successor underlier on any related futures or options exchange at any time during the one-hour period that ends at the close of trading on that day.

(E) The closure on any exchange business day of the relevant stock exchanges on which securities that then comprise 20% or more of the level of the underlier or any successor underlier are traded or any related futures or options exchange prior to its scheduled closing time unless the earlier closing time is announced by the relevant stock exchange or related futures or options exchange, as applicable, at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such relevant stock exchange or related futures or options exchange, as applicable, and (2) the submission deadline for orders to be entered into the relevant stock exchange or related futures or options exchange, as applicable, system for execution at such actual closing time on that day.

(F) The relevant stock exchange for any security underlying the underlier or successor underlier or any related futures or options exchange fails to open for trading during its regular trading session.

For purposes of determining whether a market disruption event has occurred:

(1) the relevant percentage contribution of a security to the level of the underlier or any successor underlier will be based on a comparison of (x) the portion of the level of such underlier attributable to that security and (y) the overall level of the underlier or successor underlier, in each case immediately before the occurrence of the market disruption event;

(2) the close of trading on any trading day for the underlier or any successor underlier means the scheduled closing time of the relevant stock exchanges with respect to the securities underlying the underlier or successor underlier on such trading day; provided that, if the actual closing time of the regular trading session of any such relevant stock exchange is earlier than its scheduled closing time on such trading day, then (x) for purposes of clauses (A) and (C) of the definition of market disruption event above, with respect to any security underlying the underlier or successor underlier for which such relevant stock exchange is its relevant stock exchange, the close of trading means such actual closing time and (y) for purposes of clauses (B) and (D) of the definition of market disruption event above, with respect to any futures or options contract relating to the underlier or successor underlier, the close of trading means the latest actual closing time of the regular trading session of any of the relevant stock exchanges, but in no event later than the scheduled closing time of the relevant stock exchanges;

(3) the scheduled closing time of any relevant stock exchange or related futures or options exchange on any trading day for the underlier or any successor underlier means the scheduled weekday closing time of such relevant stock exchange or related futures or options exchange on such trading day, without regard to after hours or any other trading outside the regular trading session hours; and

(4) an exchange business day means any trading day for the underlier or any successor underlier on which each relevant stock exchange for the securities underlying the underlier or any successor underlier and each related futures or options exchange are open for trading during their respective regular trading sessions, notwithstanding any such relevant stock exchange or related futures or options exchange closing prior to its scheduled closing time.

If a market disruption event occurs or is continuing on the determination date, then the determination date will be postponed to the first succeeding trading day on which a market disruption event has not occurred and is not continuing; however, if such first succeeding trading day has not occurred as of the eighth trading day after the originally scheduled determination date, that eighth trading day shall be deemed to be the determination date. If the determination date has been postponed eight trading days after the originally scheduled determination date and a market disruption event occurs or is continuing on such eighth trading day, the calculation agent will determine the closing level of the underlier on such eighth trading day in accordance with the formula for and method of calculating the closing level of the underlier last in effect prior to commencement of the market disruption event, using the closing price (or, with respect to any relevant security, if a market disruption event has occurred with respect to such security, its good faith estimate of the value of such security at the scheduled closing time of the relevant stock exchange for such security or, if earlier, the actual closing time of the regular trading session of such relevant stock exchange) on such date of each security included in the underlier. As used herein, closing price means, with respect to any security on any date, the relevant stock exchange traded or quoted price of such security as of the scheduled closing time of the relevant stock exchange for such security or, if earlier, the actual closing time of the regular trading session of such relevant stock exchange.

Adjustments to the Underlier

If at any time the sponsor or publisher of the underlier (the underlier sponsor) makes a material change in the formula for or the method of calculating the underlier, or in any other way materially modifies the underlier (other than a modification prescribed in that formula or method to maintain the underlier in the event of changes in constituent stock and capitalization and other routine events), then, from and after that time, the calculation agent will, at the close of business in New York, New York, on each date that the closing level of the underlier is to be calculated, calculate a substitute closing level of the underlier in accordance with the formula for and method of calculating the underlier last in effect prior to the change, but using only those securities that comprised the underlier immediately prior to that change. Accordingly, if the method of calculating the underlier is modified so that the level of the underlier is a fraction or a multiple of what it would have been if it had not been modified, then the calculation agent will adjust the underlier in order to arrive at a level of the underlier as if it had not been modified.

Discontinuance of the Underlier

If the underlier sponsor discontinues publication of the underlier, and the underlier sponsor or another entity publishes a successor or substitute equity index that the calculation agent determines, in its sole discretion, to be comparable to the underlier (a successor underlier), then, upon the calculation agent s notification of that determination to the trustee and Wells Fargo, the calculation agent will substitute the successor underlier as calculated by the relevant underlier sponsor or any other entity and calculate the final underlier level as described above. Upon any selection by the calculation agent of a successor underlier, Wells Fargo will cause notice to be given to holders of the securities.

In the event that the underlier sponsor discontinues publication of the underlier prior to, and the discontinuance is continuing on, the determination date and the calculation agent determines that no successor underlier is available at such time, the calculation agent will calculate a substitute closing level for the underlier in accordance with the formula for and method of calculating the underlier last in effect prior to the discontinuance, but using only those securities that comprised the underlier immediately prior to that discontinuance. If a successor underlier is selected or the calculation agent calculates a level as a substitute for the underlier, the successor underlier or level will be used as a substitute for the underlier for all purposes, including the purpose of determining whether a market disruption event exists.

If on the determination date the underlier sponsor fails to calculate and announce the level of the underlier, the calculation agent will calculate a substitute closing level of the underlier in accordance with the formula for and method of calculating the underlier last in effect prior to the failure, but using only those securities that comprised the underlier immediately prior to that failure; *provided* that, if a market disruption event occurs or is continuing on such day, then the provisions set forth above under Market Disruption Events shall apply in lieu of the foregoing.

Notwithstanding these alternative arrangements, discontinuance of the publication of, or the failure by the underlier sponsor to calculate and announce the level of, the underlier may adversely affect the value of the securities.

Events of Default and Acceleration

If an event of default with respect to the securities has occurred and is continuing, the amount payable to a holder of a security upon any acceleration permitted by the securities, with respect to each security, will be equal to the cash settlement amount, calculated as provided herein. The cash settlement amount will be calculated as though the date of acceleration were the determination date.

The S&P 500 Index

The S&P 500 Index is an equity index that is intended to provide an indication of the patte/TD> 1,750 1,869,962

County of Boulder, University Corp. for Atmospheric Research Ser 2002 (NATL RE Insd)[a]
5.375 % 09/01/21 1,750 1,859,900
Denver Convention Center Hotel Authority, Refg Ser 2006 (XLCA Insd)[a]
5.00 % 12/01/30 1,590 1,470,321
Public Authority for Colorado Energy, Natural Gas Ser 2008
6.25 % 11/15/28 265 300,664
Regional Transportation District, Denver Transportation Partners Ser 2010
6.00 % 01/15/41 1,500 1,586,940 11,136,027
Connecticut 1.6%

Connecticut Housing Finance Authority, SubSer A-2 (AMT)
5.15 % 05/15/38 4,945 5,088,949
Delaware 0.3%

County of New Castle, Newark Charter School Inc. Ser 2006
5.00 % 09/01/36 1,000 898,400
District of Columbia 1.9%

District of Columbia Ballpark, Ser 2006 B-1 (NATL RE & FGIC Insd)[a]
5.00 % 02/01/31 6,000 6,009,180
Florida 8.6%

Broward County School Board, Ser 2001 A (COP) (AGM Insd)[a]
5.00 % 07/01/26 2,000 2,032,960
County of Miami-Dade, Building Better Communities Program Ser 2009 B-1
6.00 % 07/01/38 2,000 2,250,660
County of Miami-Dade, Miami Int l Airport Ser 2009 A (AGC Insd)[a]
5.00 % 10/01/25 1,250 1,337,663
Highlands County Health Facilities Authority, Adventist Health/Sunbelt Ser 2006 C[d]
5.25 % 11/15/16 75 90,605
Highlands County Health Facilities Authority, Adventist Health/Sunbelt Ser 2006 C
5.25 % 11/15/36 2,925 2,993,269
Jacksonville Electric Authority, St Johns Power Park Refg Issue 2 Ser 17
5.00 % 10/01/18 3,300 3,418,833
Miami-Dade County Expressway Authority, Ser 2010 A
5.00 % 07/01/40 1,500 1,529,880
Palm Beach County Solid Waste Authority, Ser 2009 (BHAC Insd)[a]
5.50 % 10/01/23 1,200 1,373,628
South Miami Health Facilities Authority, Baptist Health South Florida Ser 2007
5.00 % 08/15/42 12,000 12,143,880 27,171,378
Georgia 3.8%

City of Atlanta, Airport Ser 2004 J (AGM Insd)[a]
5.00 % 01/01/34 2,000 2,039,060
Georgia State Road & Tollway Authority, Ser 2003

5.00 %	10/01/22	6,000	6,591,840	
Georgia State Road & Tollway Authority, Ser 2003				
5.00 %	10/01/23	3,000	3,295,920	11,926,820

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Interest Rate	Maturity Date	Principal Amount (000)	Value
Hawaii 4.3%				
City & County of Honolulu, Ser 2003 A (NATL RE Insd)[(a)(b)]	5.25%	03/01/26	$ 10,000	$ 10,702,000
Hawaii Pacific Health, Ser 2010 B	5.75%	07/01/40	770	800,030
State of Hawaii, Airports Refg Ser 2010 A	5.00%	07/01/39	1,925	1,971,604
				13,473,634
Idaho 1.1%				
Idaho Housing & Finance Association, Federal Highway Trust, Ser 2008 A (RANs) (AGC Insd)[(a)]	5.25%	07/15/23	2,600	2,926,352
Idaho Housing & Finance Association, Ser 1992 E (AMT)	6.75%	07/01/12	15	15,047
Idaho Housing & Finance Association, Ser 2000 E (AMT)	6.00%	01/01/32	610	642,494
				3,583,893
Illinois 10.2%				
City of Chicago, O Hare Int l Airport Third Lien Ser 2003 B-2 (AMT) (AGM Insd)[(a)]	5.75%	01/01/23	4,000	4,202,080
City of Chicago, Project & Refg Ser 2007 A (CR) (AGM & FGIC Insd)[(a)(b)(e)]	5.00%	01/01/37	7,250	7,407,760
City of Granite City, Waste Management, Inc. Project (AMT)[(b)]	3.50%	05/01/27	2,200	2,238,082
Illinois Finance Authority, Little Company Mary Hospital and Health Ser 2010	5.375%	08/15/40	1,325	1,312,254
Illinois Finance Authority, Resurrection Health Center, Refg Ser 2009	6.125%	05/15/25	1,650	1,718,706

Illinois Finance Authority, Rush University Medical Center Obligated Group Ser 2009 A	7.25%	11/01/38	645	736,584
Illinois Finance Authority, Swedish Covenant Hospital Ser 2010 A	5.75%	08/15/29	2,360	2,416,050
Illinois Finance Authority, Swedish Covenant Hospital Ser 2010 A	6.00%	08/15/38	1,235	1,266,690
Illinois Finance Authority, Northwestern Memorial Hospital, Revenue Bonds, Ser 2009 B	5.00%	08/15/16	830	935,999
Metropolitan Pier & Exposition Authority, McCormick Place Ser 2010 A	5.50%	06/15/50	1,375	1,452,770
State of Illinois, First Ser 2002 (NATL RE Insd)[a]	5.375%	07/01/20	6,000	6,299,220
Village of Schaumburg, Ser 2004 B (NATL RE & FGIC Insd)[a]	5.25%	12/01/34	2,000	2,165,960
				32,152,155
Indiana 5.0%				
Indiana Bond Bank, Revolving Fund Ser 2001 A[d]	5.00%	02/01/23	10,000	10,806,500
Indiana Health & Educational Facilities Financing Authority, Clarian Health Ser 2006 A	5.25%	02/15/40	2,480	2,484,340
Marion County Convention & Recreational Facilities Authority, Refg Ser 2003 A (AMBAC Insd)[a]	5.00%	06/01/21	1,400	1,470,812
Rockport, Indian Michigan Power Company Project Refg Ser 2009 B	6.25%	06/01/25	820	918,269
				15,679,921
Iowa 1.3%				
State of Iowa, IJOBS Program Ser 2009 A[b][e]	5.00%	06/01/25	2,120	2,354,917
State of Iowa, IJOBS Program Ser 2009 A[b][e]	5.00%	06/01/26	1,590	1,753,770
				4,108,687
Kansas 0.3%				
	5.50%	11/15/29	730	803,672

Kansas Development Finance Authority Hospital Revenue, Adventist Health System Sunbelt Obligated Group Ser 2009 C				
Kentucky 0.3%				
Kentucky Economic Development Finance Authority, Owensboro Medical Health System Ser 2010 A	6.50%	03/01/45	1,000	1,067,540
Louisiana 0.5%				
Louisiana Offshore Terminal Authority, Revenue Bonds, Deepwater Port Ser 2007 B-2	4.30%	10/01/37	1,500	1,523,205

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Interest Rate	Maturity Date	Principal Amount (000)	Value
Maryland 1.4%				
County of Baltimore, Oak Crest Village Ser 2007 A	5.00%	01/01/37	$ 1,105	$ 1,061,297
Maryland Economic Development Corp., Ser B	5.75%	06/01/35	1,080	1,128,492
Maryland Health & Higher Educational Facilities Authority, King Farm Presbyterian Community 2006 Ser B	5.00%	01/01/17	2,385	2,337,753
				4,527,542
Massachusetts 1.0%				
Massachusetts Health & Educational Facilities Authority, Berklee College Music Ser A	5.00%	10/01/32	1,100	1,133,682
Massachusetts Health & Educational Facilities Authority, Boston College Ser M-2	5.50%	06/01/30	1,600	1,947,088
				3,080,770
Michigan 3.2%				
County of Wayne, Detroit Metropolitan Wayne County Airport Refg Ser 2002 D (AMT) (NATL RE & FGIC Insd)[(a)]	5.50%	12/01/17	3,000	3,087,390
Michigan Strategic Fund, Detroit Edison Co. Ser 2001 C (AMT)	5.65%	09/01/29	5,000	5,016,400
Wayne State University, Refg Ser 2008 (AGM Insd)[(a)]	5.00%	11/15/25	1,855	1,999,356
				10,103,146
Minnesota 0.7%				
Western Minnesota Municipal Power Agency, Ser 2003 A (NATL RE Insd)[(a)]	5.00%	01/01/30	2,000	2,034,020

Missouri 1.4%				
Missouri Housing Development Commission, Homeownership Ser 2000 B-1 (AMT)	6.25%	03/01/31	115	117,614
Missouri State Health & Educational Facilities Authority[f]	0.29%	08/01/41	3,200	3,200,000
Missouri State Health & Educational Facilities Authority, Lutheran Senior Services Ser 2005 A	5.375%	02/01/35	1,125	1,124,145
				4,441,759
Montana 1.3%				
City of Forsyth, Pollution Control Revenue Ser A	5.00%	05/01/33	1,600	1,658,224
Montana Board of Housing, 2000 Ser B (AMT)	6.00%	12/01/29	2,245	2,292,235
				3,950,459
Nevada 4.4%				
County of Clark, Airport Sub Lien Ser 2004 A-1 (AMT) (NATL RE & FGIC Insd)[a]	5.50%	07/01/20	2,000	2,096,180
County of Clark, Jet Aviation Fuel Tax Ser 2003 C (AMT) (AMBAC Insd)[a]	5.375%	07/01/19	1,000	1,046,470
County of Clark, Jet Aviation Fuel Tax Ser 2003 C (AMT) (AMBAC Insd)[a]	5.375%	07/01/20	1,100	1,145,837
County of Clark, Jet Aviation Fuel Tax Ser 2003 C (AMT) (AMBAC Insd)[a]	5.375%	07/01/22	2,000	2,067,640
County of Clark, McCarran International Airport Ser 2010 A	5.125%	07/01/34	1,000	1,035,080
Las Vegas Valley Water District, Water Impr Refg Ser 2003 A (NATL RE & FGIC Insd)[a]	5.25%	06/01/20	5,345	5,758,489
Las Vegas, Redevelopment Agency, Ser A	6.25%	06/15/16	640	724,973
				13,874,669
New Hampshire 0.2%				

New Hampshire Business Finance Authority, Ser 2009 (AMT)	7.125%	07/01/27	655	683,761
New Jersey 9.2%				
New Jersey Economic Development Authority, Michigan State University Student Housing, Provident Group Montclair LLC, Ser 2010	5.75%	06/01/31	935	981,320
New Jersey Economic Development Authority, School Facilities Construction Ser N-1 (AMBAC Insd)[(a)]	5.50%	09/01/24	2,000	2,325,620
New Jersey St Housing & Mortgage Finance Agency, Home Buyer Ser 2000 CC (AMT) (NATL RE Insd)[(a)]	5.875%	10/01/31	1,230	1,231,107
New Jersey State Turnpike Authority, Ser 2003 A (NATL RE & FGIC Insd)[(a)]	5.00%	01/01/27	1,500	1,567,260
New Jersey Transportation Trust Fund Authority, 1999 Ser A	5.75%	06/15/20	5,000	5,877,250

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Interest Rate	Maturity Date	Principal Amount (000)	Value
New Jersey (continued)				
Passaic Valley Sewage Commissioners, Ser F (NATL RE & FGIC Insd)[a]	5.00%	12/01/20	$ 10,000	$ 10,290,400
Tobacco Settlement Financing Corp., Ser 2007-1 A	4.625%	06/01/26	5,000	4,406,950
Tobacco Settlement Financing Corp., Ser 2007-1 B[c]	0.00%	06/01/41	6,000	355,020
University of Medicine & Dentistry of New Jersey, Ser 2004 (COP) (NATL RE Insd)[a]	5.25%	06/15/23	2,000	2,062,200
				29,097,127
New Mexico 0.4%				
City of Farmington, Pollution Control Ref, Public Service San Juan Ser 2010 C	5.90%	06/01/40	1,250	1,295,287
New York 16.4%				
Brooklyn Arena Local Development Corp., Ser 2009	6.25%	07/15/40	820	890,430
Brooklyn Arena Local Development Corp., Ser 2009	6.375%	07/15/43	340	370,576
City of New York, 2009 Subser A-1[b]	5.25%	08/15/27	2,380	2,626,830
City of New York, 2009 Subser A-1[b]	5.25%	08/15/28	2,380	2,618,381
Metropolitan Transportation Authority, Transportation Refg Ser 2002 A (NATL RE & FGIC Insd)[a]	5.00%	11/15/25	10,000	10,370,600
New York City Municipal Water Finance Authority, Ser 2002 A	5.375%	06/15/19	3,500	3,757,180
New York City Municipal Water Finance Authority, Ser 2003 A	5.00%	06/15/35	3,000	3,119,280
New York City Municipal Water Finance Authority, Ser 2006 B	5.00%	06/15/26	5,000	5,097,450

New York City Transitional Finance Authority, 2010 Subser A-1[(b)]	5.00%	05/01/28	2,040	2,257,892
New York City Transitional Finance Authority, 2010 Subser A-1[(b)]	5.00%	05/01/29	1,635	1,799,546
New York City Transitional Finance Authority, 2010 Subser A-1[(b)]	5.00%	05/01/30	1,635	1,788,265
New York City Trust for Cultural Resources, Museum of Modern Art Refg Ser 2008 1A[(b)]	5.00%	04/01/26	1,935	2,154,777
New York City Trust for Cultural Resources, Museum of Modern Art Refg Ser 2008 1A[(b)]	5.00%	04/01/27	2,815	3,118,204
New York State Dormitory Authority, New York University (AMBAC Insd)[(a)]	5.50%	05/15/29	1,100	1,278,277
Tobacco Settlement Financing Corp., Ser 2003 B-1C	5.50%	06/01/17	5,000	5,117,400
Triborough Bridge & Tunnel Authority, Refg 2002 E (NATL RE Insd)[(a)(b)]	5.00%	11/15/32	5,000	5,221,500
				51,586,588
North Carolina 1.5%				
City of Charlotte, Water/Sewer Ser 2001	5.125%	06/01/26	4,500	4,636,575
North Dakota 0.9%				
County of Ward, Trinity Ser 2006	5.125%	07/01/29	2,750	2,718,870
Ohio 6.1%				
American Municipal Power-Ohio Inc., Prairie State Energy Campus Ser 2008 A (AGC Insd)[(a)(b)]	5.25%	02/15/33	5,100	5,403,552
County of Cuyahoga, Cleveland Clinic Ser 2003 A	6.00%	01/01/32	5,370	5,801,318
County of Lorain, Catholic Healthcare Partners Ser 2001 A	5.625%	10/01/17	3,000	3,144,600
Ohio State Higher Educational Facilities, Summa Health Systems Ser 2010	5.75%	11/15/40	2,270	2,321,779
Ohio State University, General Receipts Ser 2002 A[(d)]	5.125%	12/01/12	2,000	2,192,320

Ohio State Water Development Authority, Pollution Control Facilities Ser 2009 A	5.875%	06/01/33	410	457,880
				19,321,449
Oklahoma 0.4%				
Oklahoma Development Finance Authority, Great Plains Regional Medical Center Ser 2007	5.125%	12/01/36	1,500	1,395,045

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Interest Rate	Maturity Date	Principal Amount (000)	Value
Oregon 0.6%				
Oregon State Department of Administrative Services, Ser 2009 A	5.25%	04/01/24	$ 685	$ 788,921
Warm Springs Reservation Confederated Tribe, Pelton Round Burre Tribal, Ser 2009 B	6.375%	11/01/33	1,145	1,188,155
				1,977,076
Pennsylvania 1.0%				
Allegheny County Hospital Development Authority, West Penn Allegheny Health Ser 2007 A	5.375%	11/15/40	2,000	1,549,520
Pennsylvania Turnpike Commission, Ser 2010 B-2[(c)]	0.00%	12/01/28	1,350	1,077,786
Pennsylvania Turnpike Commission, Ser 2010 B-2[(c)]	0.00%	12/01/34	800	633,632
				3,260,938
Puerto Rico 3.1%				
Puerto Rico Electric Power Authority, Ser 2010 CCC	5.25%	07/01/27	1,500	1,603,125
Puerto Rico Electric Power Authority, Ser XX	5.25%	07/01/40	1,300	1,357,031
Puerto Rico Sales Tax Financing Corp., Ser 2009 A[(d)]	5.00%	08/01/11	1,375	1,424,211
Puerto Rico Sales Tax Financing Corp., Ser 2010 A	5.375%	08/01/39	1,225	1,291,089
Puerto Rico Sales Tax Financing Corp., Ser 2010 A	5.50%	08/01/42	1,400	1,493,996
Puerto Rico Sales Tax Financing Corp., Ser 2010 C	5.25%	08/01/41	2,350	2,457,536
				9,626,988
South Carolina 5.3%				
	5.25%	12/01/29	3,000	3,210,630

Charleston Educational Excellence Finance Corp., Charleston County School District Ser 2005				
County of Richland, Environmental Improvement, Paper Co. Ser 2007 A	4.60%	09/01/12	345	362,516
Lexington County, Revenue Bonds, Ser 2007 A	5.00%	11/01/16	70	78,253
South Carolina State Public Service Authority, Refg Ser 2002 D (AGM Insd)[a][d]	5.00%	01/01/20	5,000	5,387,050
South Carolina State Public Service Authority, Santee Cooper Ser 2003 A (AMBAC Insd)[a][b]	5.00%	01/01/22	7,000	7,604,660
				16,643,109
Texas 17.6%				
Alliance Airport Authority, Federal Express Corp. Refg Ser 2006 (AMT)	4.85%	04/01/21	2,000	2,025,400
Bexar County Health Facilities Development Corp., Army Retirement Residence Project, Ser 2010	6.20%	07/01/45	1,045	1,079,412
City of Arlington, Special Tax Ser 2009	5.00%	08/15/28	2,500	2,615,525
City of Austin, Water & Wastewater Refg Ser 2001 (AGM Insd)[a]	5.125%	05/15/27	2,950	3,002,244
City of Houston, Airport Sub Lien Ser 2000 A (AMT) (AGM Insd)[a]	5.875%	07/01/17	6,000	6,142,380
City of Houston, Combined Utility First Lien Refg 2004 Ser A (NATL RE & FGIC Insd)[a]	5.25%	05/15/23	5,120	5,536,256
City of Houston, Ser 2009 A	5.00%	03/01/27	2,000	2,229,800
City of Houston, Ser A 2001 (AMT) (AGM Insd)[a]	5.625%	07/01/30	5,000	5,002,600
City of San Antonio, (NATL RE & FGIC Insd)[a]	5.00%	05/15/26	8,960	9,120,922
County of Bexar, Ser 2009 A	5.00%	06/15/35	2,500	2,679,850
County of Harris, Ser 2007 C (AGM Insd)[a]	5.25%	08/15/31	2,380	2,832,795
Harris County Industrial Development Corp., Deer Park Refinancing Project, Ser 2006	5.00%	02/01/23	600	629,550
Lower Colorado River Authority, Refg Ser 2010 A	5.00%	05/15/40	1,000	1,040,000

North Texas Tollway Authority, Refg Ser 2008 D (AGC Insd)[(a)(c)]	0.00%	01/01/28	8,600	3,676,758
North Texas Tollway Authority, Refg Ser 2008 D (AGC Insd)[(a)(c)]	0.00%	01/01/31	1,650	581,213
Tarrant County Cultural Education Facilities Finance Corp., Air Force Village II Inc. Ser 2007	5.125%	05/15/37	875	780,307

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Interest Rate	Maturity Date	Principal Amount (000)	Value
Texas (continued)				
Texas Private Activity Bond Surface Transportation Corp., Senior Lien Ser 2009	6.875%	12/31/39	$ 915	$ 996,316
University of Houston, Ser 2008 (AGM Insd)[a][b]	5.00%	02/15/33	5,100	5,414,619
				55,385,947
Vermont 0.7%				
Vermont Economic Development Authority, Wake Robin Corp Ser 2006 A	5.375%	05/01/36	2,500	2,149,175
Virgin Islands 0.4%				
Virgin Islands Public Finance Authority, Ser 2010 A	5.00%	10/01/25	1,125	1,162,294
Virginia 0.6%				
Fairfax County Economic Development Authority, Goodwin House, Inc. Ser 2007	5.125%	10/01/42	2,000	1,985,920
Washington 8.2%				
Energy Northwest, Ser 2002 A (NATL RE Insd)[a]	5.75%	07/01/18	5,000	5,376,750
Grant County Public Utility District No. 2, Electric Refg Ser 2001 H (AGM Insd)[a]	5.375%	01/01/18	5,000	5,229,000
Port of Seattle, Passenger Facility Ser 1998 A (NATL RE Insd)[a]	5.00%	12/01/23	2,510	2,511,732
Spokane County School District No. 81, Ser 2005 (NATL RE Insd)[a]	5.125%	06/01/23	2,500	2,700,475
State of Washington, Various Purpose Ser 2010 A[b]	5.00%	08/01/29	3,725	4,100,257

State of Washington, Various Purpose Ser 2010 A[b]	5.00%	08/01/30	3,915	4,284,811
Washington Health Care Facilities Authority, Providence Health Ser 2006 C (AGM Insd)[a]	5.25%	10/01/33	1,500	1,600,634
				25,803,659
TOTAL INVESTMENTS 158.8% (Cost $481,314,489)				500,047,466
OTHER ASSETS LESS LIABILITIES 1.5%				4,691,653
FLOATING RATE NOTE AND DEALER TRUSTS OBLIGATIONS RELATED TO SECURITIES HELD (16.6)% Notes with interest rates ranging from 0.26% to 0.30% at 10/31/10 and contractual maturities of collateral ranging from 01/01/22 to 01/01/37 (See Note 1I)[g]				(52,190,000)
PREFERRED SHARES OF BENEFICIAL INTEREST (43.7)%				(137,650,000)
NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS 100.0%				$ 314,899,119

Investment Abbreviations:

AGC	Assured Guaranty Corporation.
AGM	Assured Guaranty Municipal Corporation.
AMBAC	AMBAC Assurance Corporation.
AMT	Alternative Minimum Tax.
BANs	Bond Anticipation Notes.
BHAC	Berkshire Hathaway Assurance Corporation.
COP	Certificates of Participation.
CR	Custodial Receipts.
FGIC	Financial Guaranty Insurance Company.
Impr	Improvement
Insd	Insured
NATL-RE	National Public Finance Guarantee Corporation.
RANs	Revenue Anticipation Notes.
Refg	Refunding
Ser	Series
Sub	Subordinate
Subser	Subseries
XLCA	XL Capital Assurance Inc.

Notes to Schedule of Investments:

[a] Principal and/or interest payments are secured by the bond insurance company listed.

[b] Underlying security related to Special Purpose Trust entered into by the Fund. See Note 1I.

(c) Capital appreciation bond.

(d) Advance refunded; secured by an escrow fund of U.S. Government obligations or other highly rated collateral.

(e) Security is subject to a shortfall agreement which may require the Trust to pay amounts to a counterparty in the event of a significant decline in the market value of the security underlying the inverse floater. In case of a shortfall, the maximum potential amount of payments the Trust could ultimately be required to make under the agreement is $7,335,000. However, such shortfall payment would be reduced by the proceeds from the sale of the security underlying the inverse floater.

(f) Principal and interest payments are fully enhanced by a letter of credit from the bank listed or a predecessor bank, branch or subsidiary.

(g) Floating rate note obligations related to securities held. The interest rates shown reflect the rates in effect at October 31, 2010. At October 31, 2010, the Trust s investments with a value of $88,978,830 are held by the Dealer Trusts and serve as collateral for the $52,190,000 in floating rate note and dealer trust obligations outstanding at that date.

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Assets and Liabilities

October 31, 2010

Assets:	
Investments, at value (Cost $481,314,489)	$ 500,047,466
Receivable for: Investments sold	56,306
Interest	7,731,599
Other Assets	48,998
Total assets	507,884,369
Liabilities:	
Floating rate note and dealer trusts obligations	52,190,000
Payable for: Investments purchased	1,039,840
Amount due to custodian	1,801,241
Accrued fees to affiliates	349
Accrued other operating expenses	241,650
Trustee deferred compensation and retirement plans	62,170
Total liabilities	55,335,250
Preferred shares at liquidation value (1,000,000 shares authorized of non-participating $.01 par value, 2,753 shares outstanding)	137,650,000
Net assets applicable to common shares	$ 314,899,119
Net Assets Attributable to Common Shares Consist of:	
Shares of beneficial interest common shares	$ 329,512,210
Undistributed net investment income	5,304,890

Undistributed net realized gain (loss)	(38,650,958)
Unrealized appreciation	18,732,977
	$ 314,899,119

Shares outstanding, $0.01 par value, per common share:	
Outstanding	23,505,265
Net asset value per common share	$ 13.40
Market value per common share	$ 13.37
Market price premium (discount) to net asset value per common share	(0.22)%

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Operations

For the year ended October 31, 2010

Investment income:	
Interest	$ 24,561,678
Expenses:	
Advisory fees	1,367,347
Administrative services fees	287,400
Custodian fees	15,154
Distribution fees:	
Transfer agent fees	11,237
Trustees and officers fees and benefits	39,466
Professional fees	216,812
Preferred share maintenance	265,062
Interest expense	476,513
Other	142,870
Total expenses	2,821,861
Less: Fees waived	(5,495)
Net expenses	2,816,366
Net investment income	21,745,312
Realized and unrealized gain (loss) from:	
Net realized gain (loss) from:	
Investment securities	(3,287,687)
Futures contracts	354,697

	(2,932,990)
Change in net unrealized appreciation (depreciation) of:	
Investment securities	20,567,255
Futures contracts	(334,318)
	20,232,937
Net realized and unrealized gain	17,299,947
Net increase in net assets resulting from operations	39,045,259
Distributions to auction rate preferred shareholders from net investment income	(548,039)
Net increase in net assets resulting from operations applicable to common shares	$ 38,497,220

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statements of Changes in Net Assets

For the years ended October 31, 2010 and 2009

	2010	2009
Operations:		
Net investment income	$ 21,745,312	$ 22,458,037
Net realized gain (loss)	(2,932,990)	(28,621,279)
Change in net unrealized appreciation	20,232,937	60,818,051
Net increase in net assets resulting from operations	39,045,259	54,654,809
Distributions to auction rate preferred shareholders from net investment income	(548,039)	(1,258,408)
Net Increase in net assets from operations applicable to common shares	38,497,220	53,396,401
Dividends and distributions to common shareholders from:		
Net investment income	(20,097,004)	(18,245,963)
Net Increase in net assets	18,400,216	35,150,438
Net assets applicable to common shareholders:		
Beginning of year	296,498,903	261,348,465
End of year (Includes undistributed net investment income of $5,304,890 and $4,206,950, respectively)	$ 314,899,119	$ 296,498,903

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Cash Flows

For the year ended October 31, 2010

Net increase in net assets applicable to common shares from operations (including preferred shares distributions)	$ 38,497,220
Adjustments to Reconcile in Net Assets applicable to common shares from Operations:	
Net realized gain on investment securities	3,287,687
Net change in unrealized appreciation (depreciation) on investments	(20,567,255)
Amortization of premium	1,150,337
Accretion of discount	(1,040,146)
Cost of purchases of investments	(53,482,991)
Proceeds from sales of investments	69,094,481
Net sale of short-term investments	757,732
Decrease in interest receivables and other assets	134,339
Decrease in accrued expenses and other payables	(66,641)
Net cash provided by operating activities	37,764,763
Cash flows provided by (used in) financing activities:	
Dividends paid to common shareholders from net investment income	(20,097,004)
Increase in payable for amount due custodian	1,801,241
Net proceeds from repayment of floating rate note and dealer trusts obligations	(19,469,000)
Net cash provided by (used in) financing activities	(37,764,763)
Net increase (decrease) in cash	-
Cash at beginning of period	-
Cash at end of period	$ -

Supplemental disclosure of cash flow information:

Cash paid during the period for interest	$ 476,513

Notes to Financial Statements

October 31, 2010

NOTE 1 Significant Accounting Policies

Invesco Quality Municipal Income Trust (the Trust), is a Massachusetts business trust registered under the Investment Company Act of 1940, as amended (the 1940 Act), as a diversified, closed-end management investment company. Effective June 1, 2010, the Trust s name changed from Morgan Stanley Quality Municipal Income Trust to Invesco Quality Municipal Income Trust.

The Trust s investment objective is to provide current income which is exempt from federal income tax.

The following is a summary of the significant accounting policies followed by the Trust in the preparation of its financial statements.

A. Security Valuations Securities, including restricted securities, are valued according to the following policy.

Securities are fair valued using an evaluated quote provided by an independent pricing service approved by the Board of Trustees. Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices and may reflect appropriate factors such as institution-size trading in similar groups of securities, yield, quality, coupon rate, maturity, type of issue, individual trading characteristics and other market data. Short-term obligations, including commercial paper, having 60 days or less to maturity are recorded at amortized cost which approximates value. Securities with a demand feature exercisable within one to seven days are valued at par. Debt securities are subject to interest rate and credit risks. In addition, all debt securities involve some risk of default with respect to interest and principal payments.

Securities for which market quotations either are not readily available or are unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust s officers following procedures approved by the Board of Trustees. Some of the factors which may be considered in determining fair value are fundamental analytical data relating to the investment; the nature and duration of any restrictions on transferability or disposition; trading in similar securities by the same issuer or comparable companies; relevant political, economic or issuer specific news; and other relevant factors under the circumstances.

Valuations change in response to many factors including the historical and prospective earnings of the issuer, the value of the issuer s assets, general economic conditions, interest rates, investor perceptions and market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

B. Securities Transactions and Investment Income Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income is recorded on the accrual basis from settlement date. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date. Bond premiums and discounts are amortized and/or accreted for financial reporting purposes.

The Trust may periodically participate in litigation related to Trust investments. As such, the Trust may receive proceeds from litigation settlements. Any proceeds received are included in the Statement of Operations as realized gain (loss) for investments no longer held and as unrealized gain (loss) for investments still held.

Brokerage commissions and mark ups are considered transaction costs and are recorded as an increase to the cost basis of securities purchased and/or a reduction of proceeds on a sale of securities. Such transaction costs are included in the determination of net realized and unrealized gain (loss) from investment securities reported in the Statement of Operations and the Statement of Changes in Net Assets and the net realized and unrealized gains (losses) on securities per share in the Financial Highlights. Transaction costs are included in the calculation of the Trust s net asset value and, accordingly, they reduce the Trust s total returns. These transaction costs are not considered operating expenses and are not reflected in net investment income reported in the Statement of Operations and Statement of Changes in Net Assets, or the net investment income per share and ratios of expenses and net investment income reported in the Financial Highlights, nor are they limited by any expense limitation arrangements between the Trust and the investment adviser.

C. Country Determination For the purposes of making investment selection decisions and presentation in the Schedule of Investments, the investment adviser may determine the country in which an issuer is located and/or credit risk exposure based on various factors. These factors include the laws of the country under which the issuer is organized, where the issuer maintains a principal office, the country in which the issuer derives 50% or more of its total revenues and the country that has the primary market for the issuer s securities, as well as other criteria. Among the other criteria that may be evaluated for making this determination are the country in which the issuer maintains 50% or more of its assets, the type of security, financial guarantees and enhancements, the nature of the collateral and the sponsor organization. Country of issuer and/or credit risk exposure has been determined to be the United States of America, unless otherwise noted.

D. Distributions Distributions to common shareholders from income are declared and paid monthly. Distribution of net realized capital gain, if any are generally paid annually, and recorded on ex-dividend date.

E. Federal Income Taxes The Trust intends to comply with the requirements of Subchapter M of the Internal Revenue Code necessary to qualify as a regulated investment company and to distribute substantially all of the Trust s taxable earnings to shareholders. As such, the Trust will not be subject to federal income taxes on otherwise taxable income (including net realized capital gain) that is distributed to shareholders. Therefore, no provision for federal income taxes is recorded in the financial statements.

The Trust files tax returns in the U.S. Federal jurisdiction and certain other jurisdictions. Generally the Trust is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.

F. Accounting Estimates The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period including estimates and assumptions related to taxation. Actual results could differ from those estimates by a significant amount. In addition, the Trust monitors for material events or transactions that may occur or become known after the period-end date and before the date the financial statements are released to print.

G. Indemnifications Under the Trust s organizational documents, each Trustee, officer, employee or other agent of the Trust is indemnified against certain liabilities that may arise out of performance of their duties to the Trust. Additionally, in the normal course of business, the Trust enters into contracts, including the Trust s servicing agreements that contain a variety of indemnification clauses. The Trust s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. The risk of material loss as a result of such indemnification claims is considered remote.

H. Cash and Cash Equivalents For the purposes of the Statement of Cash Flows the Trust defines Cash and Cash Equivalents as cash (including foreign currency), money market funds and other investments held in lieu of cash and excludes investments made with cash collateral received.

I. Inverse Floating Rate Obligations The Trust may invest in inverse floating rate securities, such as Residual Interest Bonds (RIBs) or Tender Option Bonds (TOBs) for investment purposes and to enhance the yield of the Trust. Inverse floating rate investments tend to underperform the market for fixed rate bonds in a rising interest rate environment, but tend to outperform the market for fixed rate bonds when interest rates decline or remain relatively stable. Such transactions may be purchased in the secondary market without first owning the underlying bond or by the sale of fixed rate bonds by the Trust to Special Purpose Trusts established by a broker dealer (Dealer Trusts) in exchange for cash and residual interests in the Dealer Trusts assets and cash flows, which are in the form of inverse floating rate obligations. The Dealer Trusts finance the purchases of the fixed rate bonds by issuing floating rate notes to third parties and allowing the Trust to retain residual interest in the bonds. The floating rate notes issued by the Dealer Trusts have interest rates that reset weekly and the floating rate note holders have the option to tender their notes to the Dealer Trusts for redemption at par at each reset date. The residual interests held by the Trust (inverse floating rate investments) include the right of the Trust (1) to cause the holders of the floating rate notes to tender their notes at par at the next interest rate reset date, and (2) to transfer the municipal bond from the Dealer Trusts to the Trust, thereby collapsing the Dealer Trusts.

TOBs are presently classified as private placement securities. Private placement securities are subject to restrictions on resale because they have not been registered under the Securities Act of 1933, as amended or are otherwise not readily marketable. As a result of the absence of a public trading market for these securities, they may be less liquid than publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realized from these sales could be less than those originally paid by the Trust or less than what may be considered the fair value of such securities.

The Trust accounts for the transfer of bonds to the Dealer Trusts as secured borrowings, with the securities transferred remaining in the Trust s investment assets, and the related floating rate notes reflected as Trust liabilities under the caption *Floating rate note and dealer trust obligations* on the

Statement of Assets and Liabilities. The Trust records the interest income from the fixed rate bonds under the caption *Interest* and records the expenses related to floating rate obligations and any administrative expenses of the Dealer Trusts under the caption *Interest expense* on the Statement of Operations.

The Trust generally invests in inverse floating rate obligations that include embedded leverage, thus exposing the Trust to greater risks and increased costs. The primary risks associated with inverse floating rate obligations are varying degrees of liquidity and the changes in the value of such securities in response to changes in market rates of interest to a greater extent than the value of an equal principal amount of a fixed rate security having similar credit quality, redemption provisions and maturity which may cause the Trust s net asset value to be more volatile than if it had not invested in inverse floating rate investments. In certain instances, the short-term floating rate interests created by the special purpose trust may not be able to be sold to third parties or, in the case of holders tendering (or putting) such interests for repayment of principal, may not be able to be remarketed to third parties. In such cases, the special purpose trust holding the long-term fixed rate bonds may be collapsed. In the case of RIBs or TOBs created by the contribution of long-term fixed income bonds by the Trust, the Trust will then be required to repay the principal amount of the tendered securities. During times of market volatility, illiquidity or uncertainty, the Trust could be required to sell other portfolio holdings at a disadvantageous time to raise cash to meet that obligation.

J. Futures Contracts The Trust may enter into futures contracts to manage exposure to interest rate, equity and market price movements and/or currency risks. A futures contract is an agreement between two parties to purchase or sell a specified underlying security, currency or commodity (or delivery of a cash settlement price, in the case of an index future) for a fixed price at a future date. The Trust currently invests only in exchange-traded futures and they are standardized as to maturity date and underlying financial instrument. Initial margin deposits required upon entering into futures contracts are satisfied by the segregation of specific securities or cash as collateral at the futures commission merchant (broker). During the period the futures contracts are open, changes in the value of the contracts are recognized as unrealized gains or losses by recalculating the value of the contracts on a daily basis. Subsequent or variation margin payments are received or made depending upon whether unrealized gains or losses are incurred. These amounts are reflected as receivables or payables on the Statement of Assets and Liabilities. When the contracts are closed or expire, the Trust recognizes a realized gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the Trust s basis in the contract. The net realized gain (loss) and the change in unrealized gain (loss) on futures contracts held during the period is included on the Statement of Operations. The primary risks associated with futures contracts are market risk and the absence of a liquid secondary market. If the Trust were unable to liquidate a futures contract and/or enter into an offsetting closing transaction, the Trust would continue to be subject to market risk with respect to the value of the contracts and continue to be required to maintain the margin deposits on the futures contracts. Futures contracts have minimal counterparty risk since the exchange s clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default. Risks may exceed amounts recognized in the Statement of Assets and Liabilities.

NOTE 2 Advisory Fees and Other Fees Paid to Affiliates

Effective June 1, 2010, the Trust has entered into a master investment advisory agreement with Invesco Advisers, Inc. (the Adviser or Invesco). Under the terms of the investment advisory agreement, the Trust pays an advisory fee to the Adviser based on the annual rate 0.27% of the Trust s average weekly net assets including current preferred shares and a portion of floating rate and dealer trust obligations that the Trust entered into to retire outstanding preferred shares of the Trust. Prior June 1, 2010, the Trust paid an advisory fee of $797,777 to Morgan Stanley Investment Advisors Inc. (MSIA) based on the annual rate and Trust s average weekly net assets as discussed above.

Effective June 1, 2010, under the terms of a master sub-advisory agreement between the Adviser and each of Invesco Asset Management Deutschland GmbH, Invesco Asset Management Limited, Invesco Asset Management (Japan) Limited, Invesco Australia Limited, Invesco Hong Kong Limited, Invesco Senior Secured Management, Inc. and Invesco Trimark Ltd. (collectively, the Affiliated Sub-Advisers) the Adviser, not the Trust, may pay 40% of the fees paid to the Adviser to any such Affiliated Sub-Adviser(s) that provide discretionary investment management services to the Trust based on the percentage of assets allocated to such Sub-Adviser(s).

Effective June 1, 2010, the Adviser has contractually agreed, through at least June 30, 2012, to waive advisory fees and/or reimburse expenses to the extent necessary to limit the Trust s expenses (excluding certain items discussed below) to 0.70%. In determining the Adviser s obligation to waive advisory fees and/or reimburse expenses, the following expenses are not taken into account, and could cause the Trust s expenses to exceed the limit reflected above: (1) interest; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items; and (5) expenses that the Trust has incurred but did not actually pay because of an expense offset arrangement. Unless the Board of Trustees and Invesco mutually agree to amend or continue the fee waiver agreement, it will terminate on June 30, 2012. The Adviser did not waive fees and/or reimburse expenses during the period under this expense limitation.

Prior June 1, 2010, investment advisory fees paid by the Fund were reduced by an amount equal to the advisory and administrative service fees paid by Morgan Stanley Institutional Liquidity Funds Tax Exempt Portfolio Institutional Class shares.

For the year ended October 31, 2010, MSIA waived advisory fees of $5,495.

The Trust has entered into a master administrative services agreement with Invesco pursuant to which the Trust has agreed to pay Invesco for certain administrative costs incurred in providing accounting services to the Trust. Prior to June 1, 2010, the Trust paid an administration fee of $235,726 to Morgan Stanley Services Company, Inc. For the year ended October 31, 2010, expenses incurred under these agreements are shown in the Statement of Operations as administrative services fees. Also, Invesco has entered into service agreements whereby State Street Bank and Trust Company (SSB) serves as the custodian and fund accountant and provides certain administrative services to the Trust.

Certain officers and trustees of the Trust are officers and directors of Invesco, IIS and/or IDI.

NOTE 3 Additional Valuation Information

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3) generally when market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment s assigned level:

Level 1 Prices are determined using quoted prices in an active market for identical assets.

Level 2 Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves, loss severities, default rates, discount rates, volatilities and others.

Level 3 Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Trust s own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

The following is a summary of the tiered valuation input levels, as of October 31, 2010. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

During the year ended October 31, 2010, there were no significant transfers between investment levels.

	Level 1	**Level 2**	**Level 3**	**Total**
Municipal Obligations	$	$ 500,047,466	$	$ 500,047,466

NOTE 4 Derivative Investments

The Trust has implemented the required disclosures about derivative instruments and hedging activities in accordance with GAAP. This disclosure is intended to improve financial reporting about derivative instruments and hedging activities by requiring enhanced disclosures to enable investors to better understand their effects on an entity s financial position and financial performance. The enhanced disclosure has no impact on the results of operations reported in the financial statements.

Effect of Derivative Instruments for the year ended October 31, 2010

The table below summarizes the gains (losses) on derivative instruments, detailed by primary risk exposure, recognized in earnings during the period:

	Location of Gain (Loss) on Statement of Operations Futures*
Realized Gain	
Interest rate risk	$ 354,697
Change in Unrealized Appreciation (Depreciation)	

Interest rate risk	$ (334,318)
Total	$ 20,379

* The average value of futures outstanding during the period was $4,598,643.

NOTE 5 Trustees and Officers Fees and Benefits

Trustees and Officers Fees and Benefits include amounts accrued by the Trust to pay remuneration to certain Trustees and Officers of the Trust. Trustees have the option to defer compensation payable by the Trust, and Trustees and Officers Fees and Benefits also include amounts accrued by the Trust to fund such deferred compensation amounts. Those Trustees who defer compensation have the option to select various Invesco Funds in which their deferral accounts shall be deemed to be invested. Finally, certain current Trustees are eligible to participate in a retirement plan that provides for benefits to be paid upon retirement to Trustees over a period of time based on the number of years of service. The Trust may have certain former Trustees who also participate in a retirement plan and receive benefits under such plan. Trustees and Officers Fees and Benefits include amounts accrued by the Trust to fund such retirement benefits. Obligations under the deferred compensation and retirement plans represent unsecured claims against the general assets of the Trust.

For the period June 1, 2010 to October 31, 2010, the Trust paid legal fees of $85 for services rendered by Kramer, Levin, Naftalis & Frankel LLP as counsel to the Independent Trustees. A member of that firm is a Trustee of the Trust.

NOTE 6 Cash Balances and Borrowings

The Trust is permitted to temporarily carry a negative or overdrawn balance in its account with The State Street Bank and Trust Company, the custodian bank. To compensate the custodian bank for such overdrafts, the overdrawn Trust may either (1) leave funds as a compensating balance in the account so the custodian bank can be compensated by earning the additional interest; or (2) compensate by paying the custodian bank at a rate agreed upon by the custodian bank and Invesco, not to exceed the contractually agreed upon rate.

Inverse floating rate note obligations resulting from the transfer of bonds to Dealer Trusts are accounted for as secured borrowings. The average floating rate notes outstanding and average annual interest and fees related to inverse floating rate note obligations during the year ending October 31, 2010 were $64,606,692 and 0.74%, respectively.

The Trust has entered into a $150 million joint revolving bank credit facility. The purpose of the facility was to provide availability of funds for short-term liquidity purposes. The revolving credit facility expired on September 3, 2010. The Trust had no borrowings under the facility during the year ended October 31, 2010.

NOTE 7 Distributions to Shareholders and Tax Components of Net Assets

Tax Character of Distributions to Shareholders Paid During the Years Ended October 31, 2010 and 2009:

	2010	2009
Tax-exempt income	$ 20,637,070	$ 19,504,371
Ordinary income	7,973	
Total distributions	$ 20,645,043	$ 19,504,371

Tax Components of Net Assets at Period-End:

	2010
Undistributed ordinary income	$ 5,285,208
Net unrealized appreciation investments	19,459,954
Temporary book/tax differences	(61,228)
Capital loss carryforward	(39,297,025)
Shares of beneficial interest common shares	329,512,210
Total net assets	$ 314,899,119

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is due to differences in the timing of recognition of gains and losses on investments for tax and book purposes. The Trust s net unrealized appreciation (depreciation) difference is attributable primarily to recognition of realized gain (loss) on tender option bonds.

The temporary book/tax differences are a result of timing differences between book and tax recognition of income and/or expenses. The Trust s temporary book/tax differences are the result of the trustee deferral of compensation and retirement plan benefits.

Capital loss carryforward is calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryforward actually available for the Trust to utilize. The ability to utilize capital loss carryforward in the future may be limited under the Internal Revenue Code and related regulations based on the results of future transactions.

The Trust has a capital loss carryforward as of October 31, 2010 which expires as follows:

Expiration	Capital Loss Carryforward*
October 31, 2015	$ 546,258
October 31, 2016	6,903,559
October 31, 2017	28,237,988
October 31, 2018	3,609,220
Total capital loss carryforward	$ 39,297,025

* Capital loss carryforward as of the date listed above is reduced for limitations, if any, to the extent required by the Internal Revenue Code.

NOTE 8 Investment Securities

The aggregate amount of investment securities (other than short-term securities, U.S. Treasury obligations and money market funds, if any) purchased and sold by the Trust during the year ended October 31, 2010 was $55,033,196 and $67,406,301, respectively. Cost of investments on a tax basis includes the adjustments for financial reporting purposes as of the most recently completed Federal income tax reporting period-end.

Unrealized Appreciation (Depreciation) of Investment Securities on a Tax Basis

Aggregate unrealized appreciation of investment securities	$ 25,178,145
Aggregate unrealized (depreciation) of investment securities	(5,718,191)
Net unrealized appreciation of investment securities	$ 19,459,954

Cost of investments for tax purposes is $480,587,512.

NOTE 9 Reclassification of Permanent Differences

Primarily as a result of differing book/tax treatment of bond market discount adjustments, on October 31, 2010, undistributed net investment income was decreased by $2,329 and undistributed net realized gain (loss) was increased by $2,329. This reclassification had no effect on the net assets of the Trust.

NOTE 10 Preferred Shares of Beneficial Interest

The Trust is authorized to issue up to 1,000,000 non-participating preferred shares of beneficial interest having a par value of $.01 per share, in one or more series, with rights as determined by the Trustees, without approval of the common shareholders. The Trust has issued Series 1 through 5 Auction Rate Preferred Shares (preferred shares) which have a liquidation value of $50,000 per share plus the redemption premium, if any, plus accumulated but unpaid dividends, whether or not declared, thereon to the date of distribution. The Trust may redeem such shares, in whole or in part, at the original purchase price of $50,000 per share plus accumulated but unpaid dividends, whether or not declared, thereon to the date of redemption.

Historically, the Trust paid annual fees equivalent to 0.25% of the preferred share liquidation value for the remarketing efforts associated with the preferred auction. Effective March 31, 2009, the Trust decreased this amount to 0.15% due to auction failures. In the future, if auctions no longer fail, the Trust may return to an annual fee payment of 0.25% of the preferred share liquidation value. These fees are included as a component of Preferred Share Maintenance expense on the Statement of Operations.

Dividends, which are cumulative, are reset through auction procedures.

Series	Shares	Amount (000 s omitted)	Rate	Reset Date	Range of Dividend Rates	
1	741	$ 37,050	0.442%	11/03/2010	0.259%	0.503%
2	265	13,250	0.426	11/04/2010	0.259	0.503
3	741	37,050	0.426	11/04/2010	0.259	0.503
4	741	37,050	0.426	11/04/2010	0.259	0.503
5	265	13,250	0.426	11/05/2010	0.244	0.503

As of October 31, 2010.

For the year ended October 31, 2010.

Subsequent to October 31, 2010 and up through December 3, 2010, the Trust paid dividends to each of the Series 1 through 5 at rates ranging from 0.381% to 0.442% in the aggregate amount of $63,901.

The Trust is subject to certain restrictions relating to the preferred shares. Failure to comply with these restrictions could preclude the Trust from declaring any distributions to common shareholders or purchasing common shares and/or could trigger the mandatory redemption of preferred shares at liquidation value.

Beginning February 19, 2008 and continuing through October 31, 2010, all series of preferred shares of the Trust were not successfully remarketed. As a result, the dividend rates of these preferred shares were reset to the maximum applicable rate.

The preferred shares, which are entitled to one vote per share, generally vote with the common shares but vote separately as a class to elect two Trustees and on any matters affecting the rights of the preferred shares.

The preferred shares are not listed on an exchange. Investors in preferred shares may participate in auctions through authorized broker-dealers; however, such broker-dealers are not required to maintain a secondary market in preferred shares, and there can be no assurance that a secondary market will develop, or if it does develop, a secondary market may not provide you with liquidity. When a preferred share auction fails, investors may not be able to sell any or all of their preferred shares and because of the nature of the market for preferred shares, investors may receive less than the price paid for their preferred shares if sold outside of the auction.

The Trust entered into additional floating rate note and dealer trusts obligations as an alternative form of leverage in order to redeem and to retire a portion of its preferred shares. Transactions in preferred shares were as follows:

	Shares	**Value**
Outstanding at October 31, 2008	3,090	$ 154,500,000
Shares retired	(337)	(16,850,000)
Outstanding at October 31, 2009	2,753	137,650,000
Shares retired		
Outstanding at October 31, 2010	2,753	$ 137,650,000

NOTE 11 Common Shares of Beneficial Interest

Transactions in shares of beneficial interest were as follows:

	Shares	Par Value of Shares	Capital Paid In Excess of Par Value
Balance, October 31, 2008	23,505,265	$ 235,052	$ 329,166,091
Shares Repurchased			
Reclassification due to permanent book/tax differences			111,067
Balance, October 31, 2009	23,505,265	235,052	329,277,158
Shares Repurchased			
Balance, October 31, 2010	23,505,265	$ 235,052	$ 329,277,158

The Trustees have approved share repurchases whereby the Trust may, when appropriate, purchase shares in the open market or in privately negotiated transactions at a price not above market value or net asset value, whichever is lower at the time of purchase.

NOTE 12 Dividends

The Trust declared the following dividends from net investment income subsequent to October 31, 2010:

Declaration Date	Amount per Share	Record Date	Payable Date
November 9, 2010	$ 0.07125	November 19, 2010	November 26, 2010
December 7, 2010	0.07125	December 17, 2010	December 23, 2010

NOTE 13 Financial Highlights

The following schedule presents financial highlights for a share of the Trust outstanding throughout the periods indicated.

	For the year ended October 31, 2010	2009	2008	2007	2006
Selected per share data:					
Net asset value, beginning of period	$ 12.61	$ 11.12	$ 14.50	$ 15.45	$ 15.38
Income (loss) from investment operations:					
Net investment income[(a)]	0.93	0.96	1.03	1.03	1.01
Net realized and unrealized gain (loss)	0.74	1.36	(3.45)	(0.78)	0.38
Dividends paid to preferred shareholders[(a)]	(0.02)	(0.05)	(0.30)	(0.34)	(0.27)
Total income (loss) from investment operations	1.65	2.27	(2.72)	(0.09)	1.12
Less dividends and distributions from:					
Net investment income	(0.86)	(0.78)	(0.68)	(0.72)	(0.83)
Net realized gain				(0.16)	(0.26)
Total dividends and distributions	(0.86)	(0.78)	(0.68)	(0.88)	(1.09)
Anti-dilutive effect of shares repurchased[(a)]			0.02	0.02	0.04
Net asset value, end of period	$ 13.40	$ 12.61	$ 11.12	$ 14.50	$ 15.45
Market value, end of period	$ 13.37	$ 11.80	$ 9.21	$ 12.90	$ 14.39
Total return at NAV[(b)]	13.59%				
Total return at market value[(b)]	21.12%	37.92%	(24.42)%	(4.59)%	13.20%

Ratios / supplemental data:

Total expenses	0.92%[c]	1.13%[d]	1.51%[d]	1.38%[d]	1.03%
Total expenses, exclusive of interest expense	0.76%[c]	0.83%[d]	0.83%[d]	0.81%[d]	0.84%
Net investment income before preferred stock dividends	7.11%[c]	8.30%[d]	7.55%[d]	6.90%[d]	6.66%
Preferred stock dividends	0.18%[c]	0.46%	2.23%	2.25%	1.78%
Net investment income available to common shareholders	6.93%[c]	7.84%[d]	5.32%[d]	4.65%[d]	4.88%
Rebate from Morgan Stanley affiliate		0.01%	0.01%	0.00%[e]	
Net assets, end of period, (000s omitted)	$ 314,899	$ 296,499	$ 261,348	$ 344,953	$ 374,247
Asset coverage on preferred shares at end of period[f]	329%	315%	269%	266%	280%
Portfolio turnover rate[g]	11%	16%	8%	16%	14%

(a) Calculated using average shares outstanding.

(b) Net asset value return includes adjustments in accordance with accounting principles generally accepted in the United States of America and measures the changes in common shares value over the period indicated, taking into account dividends and reinvested. Market value return is computed based upon the New York Stock Exchange market price of the Trust s common shares and excludes the effect of brokerage commissions. Dividends and distributions, if any, are assumed for purposes of this calculation, to be reinvested at prices obtained under the Trust s dividend reinvestment plan.

(c) Ratios based on average daily net assets (000 s omitted) of $305,734.

(d) The ratios reflect the rebate of certain Trust expenses in connection with investments in a Morgan Stanley affiliate during the period. The effect of the rebate on the ratios is disclosed in the above table as Rebate from Morgan Stanley affiliate .

(e) Amount is less than 0.01%.

(f) Calculated by adding Net assets attributable to common shares plus Preferred shares at liquidation value and dividing this by Preferred shares at liquidation value.

(g) Portfolio turnover is not annualized for periods less than one year, if applicable.

NOTE 14 Change in Independent Registered Public Accounting Firm

The Audit Committee of the Board of Trustees of the Trust appointed, and the Board of Trustees ratified thereafter and approved, PricewaterhouseCoopers LLP (PWC) as the independent registered public accounting firm of the Trust for the fiscal year following May 31, 2010. Prior to May 31, 2010, the Trust was audited by a different independent registered public accounting firm (the Prior Auditor). The Board of Trustees selected a new independent auditor for the Trust s current fiscal year in connection with the appointment of Invesco Advisers as investment adviser to the Trust (New Advisory Agreement).

Effective June 1, 2010, the Prior Auditor resigned as the independent registered public accounting firm of the Trust. The Prior Auditor s report on the financial statements of the Trust for the past two years did not contain an adverse or disclaimer of opinion, and was not qualified or modified as to uncertainty, audit scope or accounting principles. During the period the Prior Auditor was engaged, there were no disagreements with the Prior Auditor on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure which, if not resolved to the Prior Auditor s satisfaction, would have caused it to make reference to that matter in connection with its report.

NOTE 15 Legal Proceedings

The Trust received a shareholder demand letter dated July 16, 2010 from one of the Trust s shareholders, alleging that the Board and the Officers of the Trust breached their fiduciary duty and duty of loyalty and wasted Trust assets by causing the Trust to redeem Auction Rate Preferred Securities (ARPS) at their liquidation value. Specifically, the shareholder claims that the Board and officers had no obligation to provide liquidity to the ARPS shareholders, the redemptions were improperly motivated to benefit the Adviser by preserving business relationships with the ARPS holders, i.e., institutional investors, and the market value and fair value of the ARPS were less than par at the time they were redeemed. The letter alleges that the redemption of the ARPS occurred at the expense of the Trust and its common shareholders. The letter demands that: 1) the Board take action against the Adviser and Trustees/Officers to recover damages; 2) the Board refrain from authorizing further redemptions or repurchases of ARPS by the Trust at prices in excess of fair value or market value at the time of the transaction; and 3) if the Trust does not commence appropriate action, the shareholder will commence a shareholder derivative action on behalf of the Trust.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of Invesco Quality Municipal Income Trust:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations, of changes in net assets and of cash flows and the financial highlights present fairly, in all material respects, the financial position of Invesco Quality Municipal Income Trust (formerly known as Morgan Stanley Quality Municipal Income Trust hereafter referred to as the Trust) at October 31, 2010, the results of its operations, the changes in its net assets and of cash flows and the financial highlights for the year then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as financial statements) are the responsibility of the Trust s management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit, which included confirmation of securities at October 31, 2010 by correspondence with the custodian and brokers, provides a reasonable basis for our opinion. The statement of changes in net assets for the year ended October 31, 2009 and the financial highlights of the Trust for the periods ended October 31, 2009 and prior were audited by other independent auditors whose report dated December 24, 2009 expressed an unqualified opinion on those financial statements.

PRICEWATERHOUSECOOPERS LLP

December 22, 2010
Houston, Texas

Tax Information

Form 1099-DIV, Form 1042-S and other year-end tax information provide shareholders with actual calendar year amounts that should be included in their tax returns. Shareholders should consult their tax advisors.

The following distribution information is being provided as required by the Internal Revenue Code or to meet a specific state s requirement.

The Trust designates the following amounts or, if subsequently determined to be different, the maximum amount allowable for its fiscal year ended October 31, 2010:

Federal and State Income Tax	
Qualified Dividend Income*	0.00%
Corporate Dividends Received Deduction*	0.00%
Tax-Exempt Obligations*	99.96%

* The above percentages are based on ordinary income dividends paid to shareholders during the Trust s fiscal year.

Proxy Results

An Annual Meeting (Meeting) of Shareholders of Invesco Quality Municipal Income Trust, was held on July 16, 2010 and was adjourned until August 13, 2010 and further adjourned until September 10, 2010. The Meeting on September 10, 2010 was held for the following purpose:

(1) Elect four Trustees by the holders of Common Shares and Preferred Shares voting together, and one Trustee by the holders of Preferred Shares voting separately, each of whom will serve for a three year term or until a successor has been duly elected and qualified.

The results of the voting on the above matters were as follows:

	Matters	Votes For	Votes Withheld
(1)	Albert R. Dowden	20,596,988	1,141,878
	Lewis F. Pennock	20,580,781	1,158,086
	Hugo F. Sonnenschein	20,557,401	1,181,466
	Raymond Stickel, Jr.	20,572,626	1,166,241
	Prema Mathai-Davis[P]	397	6

[P] Election of trustee by preferred shareholders only.

Trustees and Officers

The address of each trustee and officer is 1555 Peachtree, N.E., Atlanta, Georgia 30309. The trustees serve for the life of the Trust, subject to their earlier death, incapacitation, resignation, retirement or removal as more specifically provided in the Trust s organizational documents. Each officer serves for a one year term or until their successors are elected and qualified. Column two below includes length of time served with predecessor entities, if any.

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/ or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee
Independent Trustees				
Martin L. Flanagan[1] 1960 Trustee	2010	Executive Director, Chief Executive Officer and President, Invesco Ltd. (ultimate parent of Invesco and a global investment management firm); Advisor to the Board, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.); Trustee, The Invesco Funds; Vice Chair, Investment Company Institute; and Member of Executive Board, SMU Cox School of Business Formerly: Chairman, Invesco Advisers, Inc. (registered investment adviser); Director, Chairman, Chief Executive Officer and President, IVZ Inc. (holding company), INVESCO Group Services, Inc. (service provider) and Invesco North American Holdings, Inc. (holding company); Director, Chief Executive Officer and President, Invesco Holding Company Limited (parent of Invesco and a global	207	None

			investment management firm); Director, Invesco Ltd.; Chairman, Investment Company Institute and President, Co-Chief Executive Officer, Co-President, Chief Operating Officer and Chief Financial Officer, Franklin Resources, Inc. (global investment management organization)		
Philip A. Taylor[2] Trustee, President and Principal Executive Officer	1954	2010	Head of North American Retail and Senior Managing Director, Invesco Ltd.; Director, Co-Chairman, Co-President and Co-Chief Executive Officer, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Director, Chief Executive Officer and President, 1371 Preferred Inc. (holding company); Director, Chairman, Chief Executive Officer and President, Invesco Management Group, Inc. (formerly Invesco Aim Management Group, Inc.) (financial services holding company); Director and President, INVESCO Funds Group, Inc. (registered investment adviser and registered transfer agent) and AIM GP Canada Inc. (general partner for limited partnerships); Director and Chairman, Invesco Investment Services, Inc. (formerly known as Invesco Aim Investment Services,	207	None

Inc.) (registered transfer agent) and IVZ Distributors, Inc. (formerly known as INVESCO Distributors, Inc.) (registered broker dealer); Director, President and Chairman, INVESCO Inc. (holding company) and Invesco Canada Holdings Inc. (holding company); Chief Executive Officer, Invesco Trimark Corporate Class Inc. (corporate mutual fund company) and Invesco Trimark Canada Fund Inc. (corporate mutual fund company); Director and Chief Executive Officer, Invesco Trimark Ltd./Invesco Trimark Ltèe (registered investment adviser and registered transfer agent) and Invesco Trimark Dealer Inc. (registered broker dealer); Trustee, President and Principal Executive Officer, The Invesco Funds (other than AIM Treasurer s Series Trust (Invesco Treasurer s Series Trust) and Short-Term Investments Trust); Trustee and Executive Vice President, The Invesco Funds (AIM Treasurer s Series Trust (Invesco Treasurer s Series Trust) and Short-Term Investments Trust only); Director, Van Kampen Asset Management; Director, Chief Executive Officer and President, Van Kampen Investments Inc. and Van Kampen

Exchange Corp.; Director and Chairman, Van Kampen Investor Services Inc. and Director and President, Van Kampen Advisors, Inc.

Formerly: Director, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.) (registered broker dealer); Manager, Invesco PowerShares Capital Management LLC; Director, Chief Executive Officer and President, Invesco Advisers, Inc.; Director, Chairman, Chief Executive Officer and President, Invesco Aim Capital Management, Inc.; President, Invesco Trimark Dealer Inc. and Invesco Trimark Ltd./Invesco Trimark Ltèe; Director and President, AIM Trimark Corporate Class Inc. and AIM Trimark Canada Fund Inc.; Senior Managing Director, Invesco Holding Company Limited; Trustee and Executive Vice President, Tax-Free Investments Trust; Director and Chairman, Fund Management Company (former registered broker dealer); President and Principal Executive Officer, The Invesco Funds (AIM Treasurer s Series Trust (Invesco Treasurer s Series Trust), Short-Term Investments Trust and

			Tax-Free Investments Trust only); President, AIM Trimark Global Fund Inc. and AIM Trimark Canada Fund Inc.		
Wayne M. Whalen[3] Trustee	1939	2010	Of Counsel, and prior to 2010, partner in the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, legal counsel to funds in the Fund Complex	225	Director of the Abraham Lincoln Presidential Library Foundation
Independent Trustees					
Bruce L. Crockett Trustee and Chair	1944	2010	Chairman, Crockett Technology Associates (technology consulting company) Formerly: Director, Captaris (unified messaging provider); Director, President and Chief Executive Officer COMSAT Corporation; and Chairman, Board of Governors of INTELSAT (international communications company)	207	ACE Limited (insurance company); and Investment Company Institute
David C. Arch Trustee	1945	2010	Chairman and Chief Executive Officer of Blistex Inc., a consumer health care products manufacturer.	225	Member of the Heartland Alliance Advisory Board, a nonprofit organization serving human needs based in Chicago. Board member of the Illinois Manufacturers Association. Member of the Board of Visitors, Institute for the Humanities, University of Michigan

1 Mr. Flanagan is considered an interested person of the Trust because he is an officer of the adviser to the Trust, and an officer and a director of Invesco Ltd., ultimate parent of the adviser to the Trust.

[2] Mr. Taylor is considered an interested person of the Trust because he is an officer and a director of the adviser to, and a director of the principal underwriter of, the Trust.

[3] Mr. Whalen is considered an interested person (within the meaning of Section 2(a)(19) of the 1940 Act) of certain Funds in the Fund Complex by reason of he and his firm currently providing legal services as legal counsel to such Funds in the Fund Complex.

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Trustees and Officers (continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/ or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee
Independent Trustees				
Bob R. Baker 1936 Trustee	2010	Retired Formerly: President and Chief Executive Officer, AMC Cancer Research Center; and Chairman and Chief Executive Officer, First Columbia Financial Corporation	207	None
Frank S. Bayley 1939 Trustee	2010	Retired Formerly: Director, Badgley Funds, Inc. (registered investment company) (2 portfolios) and Partner, law firm of Baker & McKenzie	207	None
James T. Bunch 1942 Trustee	2010	Managing Member, Grumman Hill Group LLC (family office private equity management) Formerly: Founder, Green, Manning & Bunch Ltd. (investment banking firm)(1988-2010); Executive Committee, United States Golf Association; and Director, Policy Studies, Inc. and Van Gilder Insurance Corporation	207	Vice Chairman, Board of Governors, Western Golf Association/Evans Scholars Foundation and Director, Denver Film Society
Rodney Dammeyer 1940 Trustee	2010	President of CAC, LLC, a private company offering capital investment and	225	Director of Quidel Corporation and Stericycle, Inc. Prior to May 2008, Trustee of

			management advisory services. Formerly: Prior to January 2004, Director of TeleTech Holdings Inc.; Prior to 2002, Director of Arris Group, Inc.; Prior to 2001, Managing Partner at Equity Group Corporate Investments. Prior to 1995, Chief Executive Officer of Itel Corporation. Prior to 1985, experience includes Senior Vice President and Chief Financial Officer of Household International, Inc, Executive Vice President and Chief Financial Officer of Northwest Industries, Inc. and Partner of Arthur Andersen & Co.		The Scripps Research Institute. Prior to February 2008, Director of Ventana Medical Systems, Inc. Prior to April 2007, Director of GATX Corporation. Prior to April 2004, Director of TheraSense, Inc.
Albert R. Dowden Trustee	1941	2010	Director of a number of public and private business corporations, including the Boss Group, Ltd. (private investment and management); Reich & Tang Funds (5 portfolios) (registered investment company); and Homeowners of America Holding Corporation/ Homeowners of America Insurance Company (property casualty company) Formerly: Director, Continental Energy Services, LLC (oil and gas pipeline service); Director, CompuDyne Corporation (provider of product and services to the public security	207	Board of Nature s Sunshine Products, Inc.

			market) and Director, Annuity and Life Re (Holdings), Ltd. (reinsurance company); Director, President and Chief Executive Officer, Volvo Group North America, Inc.; Senior Vice President, AB Volvo; Director of various public and private corporations; Chairman, DHJ Media, Inc.; Director Magellan Insurance Company; and Director, The Hertz Corporation, Genmar Corporation (boat manufacturer), National Media Corporation; Advisory Board of Rotary Power International (designer, manufacturer, and seller of rotary power engines); and Chairman, Cortland Trust, Inc. (registered investment company)		
Jack M. Fields Trustee	1952	2010	Chief Executive Officer, Twenty First Century Group, Inc. (government affairs company); and Owner and Chief Executive Officer, Dos Angelos Ranch, L.P. (cattle, hunting, corporate entertainment), Discovery Global Education Fund (non-profit) and Cross Timbers Quail Research Ranch (non-profit) Formerly: Chief Executive Officer, Texana Timber LP (sustainable forestry company) and member of the U.S. House of Representatives	207	Administaff

Carl Frischling 1937 Trustee	2010	Partner, law firm of Kramer Levin Naftalis and Frankel LLP	207	Director, Reich & Tang Funds (16 portfolios)
Prema Mathai-Davis 1950 Trustee	2010	Retired Formerly: Chief Executive Officer, YWCA of the U.S.A.	207	None
Lewis F. Pennock 1942 Trustee	2010	Partner, law firm of Pennock & Cooper	207	None
Larry Soll 1942 Trustee	2010	Retired Formerly, Chairman, Chief Executive Officer and President, Synergen Corp. (a biotechnology company)	207	None

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Trustees and Officers (continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/ or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee
Independent Trustees				
Hugo F. Sonnenschein 1940 Trustee	2010	President Emeritus and Honorary Trustee of the University of Chicago and the Adam Smith Distinguished Service Professor in the Department of Economics at the University of Chicago. Prior to July 2000, President of the University of Chicago.	225	Trustee of the University of Rochester and a member of its investment committee. Member of the National Academy of Sciences, the American Philosophical Society and a fellow of the American Academy of Arts and Sciences
Raymond Stickel, Jr. 1944 Trustee	2010	Retired Formerly: Director, Mainstay VP Series Funds, Inc. (25 portfolios) and Partner, Deloitte & Touche	207	None
Other Officers				
Russell C. Burk 1958 Senior Vice President and Senior Officer	2010	Senior Vice President and Senior Officer of Invesco Funds	N/A	N/A
John M. Zerr 1962 Senior Vice President, Chief Legal Officer and Secretary	2010	Director, Senior Vice President, Secretary and General Counsel, Invesco Management Group, Inc. (formerly known as Invesco Aim Management Group, Inc.), Van Kampen Investments Inc. and Van Kampen Exchange Corp., Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional	N/A	N/A

(N.A.), Inc.) (registered investment adviser); Senior Vice President and Secretary, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.); Director, Vice President and Secretary, Invesco Investment Services, Inc. (formerly known as Invesco Aim Investment Services, Inc.) and IVZ Distributors, Inc. (formerly known as INVESCO Distributors, Inc.); Director and Vice President, INVESCO Funds Group, Inc.; Senior Vice President, Chief Legal Officer and Secretary, The Invesco Funds; Manager, Invesco PowerShares Capital Management LLC; Director, Secretary and General Counsel, Van Kampen Asset Management; Director and Secretary, Van Kampen Advisors Inc.; Secretary and General Counsel, Van Kampen Funds Inc.; Director, Vice President, Secretary and General Counsel, Van Kampen Investor Services Inc.; and General Counsel, PowerShares Exchange-Traded Fund Trust, PowerShares Exchange-Traded Fund Trust II, PowerShares India Exchange-Traded Fund Trust and PowerShares Actively Managed Exchange-Traded Fund Trust

Formerly: Director, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.); Director, Senior Vice President, General Counsel and Secretary, Invesco Advisers, Inc.; Director, Vice President and Secretary, Fund Management Company; Director, Senior Vice President, Secretary, General Counsel and Vice President, Invesco Aim Capital Management, Inc.; Chief Operating Officer and General Counsel, Liberty Ridge Capital, Inc. (an investment adviser); Vice President and Secretary, PBHG Funds (an investment company) and PBHG Insurance Series Fund (an investment company); Chief Operating Officer, General Counsel and Secretary, Old Mutual Investment Partners (a broker-dealer); General Counsel and Secretary, Old Mutual Fund Services (an administrator) and Old Mutual Shareholder Services (a shareholder servicing center); Executive Vice President, General Counsel and Secretary, Old Mutual Capital, Inc. (an investment adviser); and Vice President and Secretary, Old Mutual Advisors Funds (an investment company)	
	N/A

Lisa O. Brinkley Vice President	1959	2010	Global Compliance Director, Invesco Ltd.; Chief Compliance Officer, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.), Invesco Investment Services, Inc.(formerly known as Invesco Aim Investment Services, Inc.) and Van Kampen Investor Services Inc.; and Vice President, The Invesco Funds Formerly: Senior Vice President, Invesco Management Group, Inc.; Senior Vice President and Chief Compliance Officer, Invesco Advisers, Inc. and The Invesco Funds; Vice President and Chief Compliance Officer, Invesco Aim Capital Management, Inc. and Invesco Distributors, Inc.; Vice President, Invesco Investment Services, Inc. and Fund Management Company	N/A	N/A
Sheri Morris Vice President, Principal Financial Officer and Treasurer	1964	2010	Vice President, Treasurer and Principal Financial Officer, The Invesco Funds; and Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser) Formerly: Vice President, Invesco Advisers, Inc., Invesco Aim Capital Management, Inc. and Invesco Aim Private	N/A	N/A

Asset Management, Inc.;
Assistant Vice President
and Assistant Treasurer,
The Invesco Funds and
Assistant Vice President,
Invesco Advisers, Inc.,
Invesco Aim Capital
Management, Inc. and
Invesco Aim Private
Asset Management, Inc.

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Trustees and Officers (continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/ or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee
Other Officers				
Karen Dunn Kelley 1960 Vice President	2010	Head of Invesco s World Wide Fixed Income and Cash Management Group; Senior Vice President, Invesco Management Group, Inc. (formerly known as Invesco Aim Management Group, Inc.), Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser) and Van Kampen Investments Inc.; Executive Vice President, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.); Director, Invesco Mortgage Capital Inc.; Vice President, The Invesco Funds (other than AIM Treasurer s Series Trust (Invesco Treasurer s Series Trust) and Short-Term Investments Trust); and President and Principal Executive Officer, The Invesco Funds (AIM Treasurer s Series Trust (Invesco Treasurer s Series Trust) and Short-Term Investments Trust only). Formerly: Vice President, Invesco Advisers, Inc.	N/A	N/A

			(formerly known as Invesco Institutional (N.A.), Inc.); Director of Cash Management and Senior Vice President, Invesco Advisers, Inc. and Invesco Aim Capital Management, Inc.; President and Principal Executive Officer, Tax-Free Investments Trust; Director and President, Fund Management Company; Chief Cash Management Officer, Director of Cash Management, Senior Vice President, and Managing Director, Invesco Aim Capital Management, Inc.; Director of Cash Management, Senior Vice President, and Vice President, Invesco Advisers, Inc. and The Invesco Funds (AIM Treasurer s Series Trust (Invesco Treasurer s Series Trust), Short-Term Investments Trust and Tax-Free Investments Trust only)		
Lance A. Rejsek Anti-Money Laundering Compliance Officer	1967	2010	Anti-Money Laundering Compliance Officer, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.), Invesco Investment Services, Inc. (formerly known as Invesco Aim Investment Services, Inc.), The Invesco Funds, PowerShares	N/A	N/A

			Exchange-Traded Fund Trust, PowerShares Exchange-Traded Trust II, PowerShares India Exchange-Traded Fund Trust, PowerShares Actively Managed Exchange-Traded Fund Trust, Van Kampen Asset Management, Van Kampen Investor Services Inc., and Van Kampen Funds Inc. Formerly: Anti-Money Laundering Compliance Officer, Fund Management Company, Invesco Advisers, Inc., Invesco Aim Capital Management, Inc. and Invesco Aim Private Asset Management, Inc.		
Todd L. Spillane Chief Compliance Officer	1958	2010	Senior Vice President, Invesco Management Group, Inc. (formerly known as Invesco Aim Management Group, Inc.), Van Kampen Investments Inc. and Van Kampen Exchange Corp.; Senior Vice President and Chief Compliance Officer, Invesco Advisers, Inc. (registered investment adviser) (formerly known as Invesco Institutional (N.A.), Inc.); Chief Compliance Officer, The Invesco Funds, PowerShares Exchange-Traded Fund Trust, PowerShares Exchange-Traded Trust II, PowerShares India Exchange-Traded Fund Trust, PowerShares Actively Managed Exchange-Traded Fund	N/A	N/A

		Trust, INVESCO Private Capital Investments, Inc. (holding company) and Invesco Private Capital, Inc. (registered investment adviser); Vice President, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.), Invesco Investment Services, Inc. (formerly known as Invesco Aim Investment Services, Inc.) and Van Kampen Investor Services Inc. Formerly: Senior Vice President and Chief Compliance Officer, Invesco Advisers, Inc. and Invesco Aim Capital Management, Inc.; Chief Compliance Officer, Invesco Global Asset Management (N.A.), Inc. and Invesco Senior Secured Management, Inc. (registered investment adviser); Vice President, Invesco Aim Capital Management, Inc. and Fund Management Company	

Office of the Fund	**Investment Advisor**	**Transfer Agent**	**Custodian**
1555 Peachtree Street, N.E. Atlanta, GA 30309	Invesco Advisers, Inc. 1555 Peachtree Street, N.E. Atlanta, GA 30309	Computershare Trust Company, N.A. P.O. Box 43078 Providence, RI 02940-3078	State Street Bank and Trust Company 225 Franklin Boston, MA 02110-2801
Counsel to the Fund	**Distributor**	**Auditors**	
Stradley Ronon Stevens & Young, LLP 2600 One Commerce Square	Invesco Distributors, Inc. 11 Greenway Plaza, Suite 2500	PricewaterhouseCoopers LLP 1201 Louisiana Street, Suite 2900	

Philadelphia, PA 19103	Houston, TX 77046-1173	Houston, TX 77002-5678

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Invesco privacy policy

You share personal and financial information with us that is necessary for your transactions and your account records. We take very seriously the obligation to keep that information confidential and private.

Invesco collects nonpublic personal information about you from account applications or other forms you complete and from your transactions with us or our affiliates. We do not disclose information about you or our former customers to service providers or other third parties except to the extent necessary to service your account and in other limited circumstances as permitted by law. For example, we use this information to facilitate the delivery of transaction confirmations, financial reports, prospectuses and tax forms.

Even within Invesco, only people involved in the servicing of your accounts and compliance monitoring have access to your information. To ensure the highest level of confidentiality and security, Invesco maintains physical, electronic and procedural safeguards that meet or exceed federal standards. Special measures, such as data encryption and authentication, apply to your communications with us on our website. More detail is available to you at invesco.com/privacy.

Trust holdings and proxy voting information

The Trust provides a complete list of its holdings four times in each fiscal year, at the quarter-ends. For the second and fourth quarters, the lists appear in the Trust s semiannual and annual reports to shareholders. For the first and third quarters, the Trust files the lists with the Securities and Exchange Commission (SEC) on Form N-Q. The most recent list of portfolio holdings is available at invesco.com/completeqtrholdings. Shareholders can also look up the Trust s Forms N-Q on the SEC website at sec.gov. Copies of the Trust s Forms N-Q may be reviewed and copied at the SEC Public Reference Room in Washington, D.C. You can obtain information on the operation of the Public Reference Room, including information about duplicating fee charges, by calling 202 551 8090 or 800 732 0330, or by electronic request at the following email address: publicinfo@sec.gov. The SEC file number for the Trust is 811-06591.

A description of the policies and procedures that the Trust uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, from our
Client Services department at 800 959 4246 or at invesco.com/proxyguidelines. The information is also available on the SEC website, sec.gov.

Information regarding how the Trust voted proxies related to its portfolio securities during the 12 months ended June 30, 2010, is available at invesco.com/proxysearch. In addition, this information is available on the SEC website at sec.gov.

Invesco Advisers, Inc. is an investment adviser; it provides investment advisory services to individual and institutional clients and does not sell securities. Invesco Distributors, Inc. is the U.S. distributor for Invesco Ltd. s retail mutual funds, exchange-traded funds and institutional money market funds. Both are wholly owned, indirect subsidiaries of Invesco Ltd.

MS-CE-QMINC-AR-1 Invesco Distributors, Inc.

ITEM 2. CODE OF ETHICS.

As of the end of the period covered by this report, the Registrant had adopted a code of ethics (the Code) that applies to the Registrant s principal executive officer (PEO) and principal financial officer (PFO). The Code was amended in June, 2010, to (i) add an individual to Exhibit A and (ii) update the names of certain legal entities. The Registrant did not grant any waivers, including implicit waivers, from any provisions of the Code to the PEO or PFO during the period covered by this report.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

The Board of Trustees has determined that the Registrant has at least one audit committee financial expert serving on its Audit Committee. The Audit Committee financial experts are David C. Arch, James T. Bunch, Bruce L. Crockett, Rodney Dammeyer and Raymond Stickel, Jr. Messrs. Arch, Bunch, Crockett, Dammeyer and Stickel are independent within the meaning of that term as used in Form N-CSR.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Fees Billed by Principal Accountant Related to the Registrant

The information set forth below for the 2010 fiscal year relates to fees billed by the Fund s Prior and Current Auditors:

	Fees Billed for Services Rendered to the Registrant for fiscal year end 10/31/2010	Percentage of Fees Billed Applicable to Non-Audit Services Provided for fiscal year end 10/31/2010 Pursuant to Waiver of Pre-Approval Requirement(1)	Fees Billed for Services Rendered to the Registrant for fiscal year end 10/31/2009	Percentage of Fees Billed Applicable to Non-Audit Services Provided for fiscal year end 10/31/2009 Pursuant to Waiver of Pre-Approval Requirement(1)
Audit Fees	$ 35,000	N/A	$ 38,450	N/A
Audit-Related Fees(2)	$ 0	0%	$ 6,000	0%
Tax Fees(3)	$ 4,300	0%	$ 5,501	0%
All Other Fees	$ 0	0%	$ 0	0%
Total Fees	$ 39,300	0%	$ 49,951	0%

PWC billed the Registrant aggregate non-audit fees of $4,300 for the fiscal year ended October 31, 2010. D&T billed the Registrant aggregate non-audit fees of $11,501 for the fiscal year ended October 31, 2009.

(1) With respect to the provision of non-audit services, the pre-approval requirement is waived pursuant to a de minimis exception if (i) such services were not recognized as non-audit services by the Registrant at the time of engagement, (ii) the aggregate amount of all such services provided is no more than 5% of the aggregate audit and non-audit fees paid by the Registrant to PWC during a fiscal year; and (iii) such services are promptly brought to the attention of the Registrant s Audit Committee and approved by the Registrant s Audit Committee prior to the completion of the audit.

(2) Audit-Related fees for the fiscal year end October 31, 2009 represent assurance and related services provided that are reasonably related to the performance of the audit of the financial statements of the Covered Entities and

funds advised by the Adviser or its affiliates, specifically data verification and agreed-upon procedures related to asset securitizations and agree-upon procedures engagements.

(3) Tax fees for the fiscal year end October 31, 2010 includes fees billed for reviewing tax returns. Tax fees for the fiscal year end October 31, 2009 includes fees billed for reviewing tax returns.

Fees Billed by PWC Related to Invesco and Invesco Affiliates

PWC billed Invesco Advisers, Inc. (Invesco), the Registrant s adviser, and any entity controlling, controlled by or under common control with Invesco that provides ongoing services to the Registrant (Invesco Affiliates) aggregate fees for pre-approved non-audit services rendered to Invesco and Invesco Affiliates for the last two fiscal years as follows:

	Fees Billed for Non-Audit Services Rendered to Invesco and Invesco Affiliates for fiscal year end 10/31/2010 That Were Required to be Pre-Approved by the Registrant s Audit Committee	Percentage of Fees Billed Applicable to Non-Audit Services Provided for fiscal year end 10/31/2010 Pursuant to Waiver of Pre-Approval Requirement(1)	Fees Billed for Non-Audit Services Rendered to Invesco and Invesco Affiliates for fiscal year end 10/31/2009 That Were Required to be Pre-Approved by the Registrant s Audit Committee	Percentage of Fees Billed Applicable to Non-Audit Services Provided for fiscal year end 10/31/2009 Pursuant to Waiver of Pre-Approval Requirement(1)
Audit-Related Fees	$ 0	0%	$ 0	0%
Tax Fees	$ 0	0%	$ 0	0%
All Other Fees	$ 0	0%	$ 0	0%
Total Fees(2)	$ 0	0%	$ 0	0%

(1) With respect to the provision of non-audit services, the pre-approval requirement is waived pursuant to a de minimis exception if (i) such services were not recognized as non-audit services by the Registrant at the time of engagement, (ii) the aggregate amount of all such services provided is no more than 5% of the aggregate audit and non-audit fees paid by the Registrant, Invesco and Invesco Affiliates to PWC during a fiscal year; and (iii) such services are promptly brought to the attention of the Registrant s Audit Committee and approved by the Registrant s Audit Committee prior to the completion of the audit.

(2) Including the fees for services not required to be pre-approved by the registrant s audit committee, PWC billed Invesco and Invesco Affiliates aggregate non-audit fees of $0 for the fiscal year ended October 31, 2010, and $0 for the fiscal year ended October 31, 2009, for non-audit services rendered to Invesco and Invesco Affiliates.

The Audit Committee also has considered whether the provision of non-audit services that were rendered to Invesco and Invesco Affiliates that were not required to be pre-approved pursuant to SEC regulations, if any, is compatible with maintaining PWC s independence. To the extent that such services were provided, the Audit Committee determined that the provision of such services is compatible with PWC maintaining independence with respect to the Registrant.

PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES
POLICIES AND PROCEDURES

As adopted by the Audit Committees of
the Invesco Funds (the Funds)
Last Amended May 4, 2010

Statement of Principles

Under the Sarbanes-Oxley Act of 2002 and rules adopted by the Securities and Exchange Commission (SEC) (Rules), the Audit Committees of the Funds (the Audit Committees) Board of Trustees (the Board) are responsible for the appointment, compensation and oversight of the work of independent accountants (an Auditor). As part of this responsibility and to assure that the Auditor s independence is not impaired, the Audit Committees pre-approve the audit and non-audit services provided to the Funds by each Auditor, as well as all non-audit services provided by the Auditor to the Funds investment adviser and to affiliates of the adviser that provide ongoing services to the Funds (Service Affiliates) if the services directly impact the Funds operations or financial reporting. The SEC Rules also specify the types of services that an Auditor may not provide to its audit client. The following policies and procedures comply with the requirements for pre-approval and provide a mechanism by which management of the Funds may request and secure pre-approval of audit and non-audit services in an orderly manner with minimal disruption to normal business operations.

Proposed services either may be pre-approved without consideration of specific case-by-case services by the Audit Committees (general pre-approval) or require the specific pre-approval of the Audit Committees (specific pre-approval). As set forth in these policies and procedures, unless a type of service has received general pre-approval, it will require specific pre-approval by the Audit Committees. Additionally, any fees exceeding 110% of estimated pre-approved fee levels provided at the time the service was pre-approved will also require specific approval by the Audit Committees before payment is made. The Audit Committees will also consider the impact of additional fees on the Auditor s independence when determining whether to approve any additional fees for previously pre-approved services.

The Audit Committees will annually review and generally pre-approve the services that may be provided by each Auditor without obtaining specific pre-approval from the Audit Committee generally on an annual basis. The term of any general pre-approval runs from the date of such pre-approval through September 30th of the following year, unless the Audit Committees consider a different period and state otherwise. The Audit Committees will add to or subtract from the list of general pre-approved services from time to time, based on subsequent determinations.

The purpose of these policies and procedures is to set forth the guidelines to assist the Audit Committees in fulfilling their responsibilities.

Delegation

The Audit Committees may from time to time delegate pre-approval authority to one or more of its members who are Independent Trustees. All decisions to pre-approve a service by a delegated member shall be reported to the Audit Committees at the next quarterly meeting.

Audit Services

The annual audit services engagement terms will be subject to specific pre-approval of the Audit Committees. Audit services include the annual financial statement audit and other procedures such as tax provision work that is required to be performed by the independent auditor to be able to form an opinion on the Funds financial statements. The Audit Committees will obtain, review and consider sufficient information concerning the proposed Auditor to make a reasonable evaluation of the Auditor s qualifications and independence.

In addition to the annual Audit services engagement, the Audit Committees may grant either general or specific pre-approval of other audit services, which are those services that only the independent auditor reasonably can provide. Other Audit services may include services such as issuing consents for the inclusion of audited financial statements with SEC registration statements, periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings.

Non-Audit Services

The Audit Committees may provide either general or specific pre-approval of any non-audit services to the Funds and its Service Affiliates if the Audit Committees believe that the provision of the service will not impair the independence of the Auditor, is consistent with the SEC s Rules on auditor independence, and otherwise conforms to the Audit Committees general principles and policies as set forth herein.

Audit-Related Services

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of the Fund s financial statements or that are traditionally performed by the independent auditor. Audit-related services include, among others, accounting consultations related to accounting, financial reporting or disclosure matters not classified as Audit services ; assistance with understanding and implementing new accounting and financial reporting guidance from rulemaking authorities; and agreed-upon procedures related to mergers, compliance with ratings agency requirements and interfund lending activities.

Tax Services

Tax services include, but are not limited to, the review and signing of the Funds federal tax returns, the review of required distributions by the Funds and consultations regarding tax matters such as the tax treatment of new investments or the impact of new regulations. The Audit Committees will scrutinize carefully the retention of the Auditor in connection with a transaction initially recommended by the Auditor, the major business purpose of which may be tax avoidance or the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. The Audit Committees will consult with the Funds Treasurer (or his or her designee) and may consult with outside counsel or advisors as necessary to ensure the consistency of Tax services rendered by the Auditor with the foregoing policy.

No Auditor shall represent any Fund or any Service Affiliate before a tax court, district court or federal court of claims.

Under rules adopted by the Public Company Accounting Oversight Board and approved by the SEC, in connection with seeking Audit Committees pre-approval of permissible Tax services, the Auditor shall:

1. Describe in writing to the Audit Committees, which writing may be in the form of the proposed engagement letter:
    a. The scope of the service, the fee structure for the engagement, and any side letter or amendment to the engagement letter, or any other agreement between the Auditor and the Fund, relating to the service; and

    b. Any compensation arrangement or other agreement, such as a referral agreement, a referral fee or fee-sharing arrangement, between the Auditor and any person (other than the Fund) with respect to the promoting, marketing, or recommending of a transaction covered by the service;
2. Discuss with the Audit Committees the potential effects of the services on the independence of the Auditor; and

3. Document the substance of its discussion with the Audit Committees.

All Other Auditor Services

The Audit Committees may pre-approve non-audit services classified as All other services that are not categorically prohibited by the SEC, as listed in Exhibit 1 to this policy.

Pre-Approval Fee Levels or Established Amounts

Pre-approval of estimated fees or established amounts for services to be provided by the Auditor under general or specific pre-approval policies will be set periodically by the Audit Committees. Any proposed fees exceeding 110% of the maximum estimated pre-approved fees or established amounts for pre-approved audit and non-audit services will be reported to the Audit Committees at the quarterly Audit Committees meeting and will require specific approval by the Audit Committees before payment is made. The Audit Committees will always factor in the overall relationship of fees for audit and non-audit services in determining whether to pre-approve any such services and in determining whether to approve any additional fees exceeding 110% of the maximum pre-approved fees or established amounts for previously pre-approved services.

Procedures

Generally on an annual basis, Invesco Advisers, Inc. (Invesco) will submit to the Audit Committees for general pre-approval, a list of non-audit services that the Funds or Service Affiliates of the Funds may request from the Auditor. The list will describe the non-audit services in reasonable detail and will include an estimated range of fees and such other information as the Audit Committee may request.

Each request for services to be provided by the Auditor under the general pre-approval of the Audit Committees will be submitted to the Funds Treasurer (or his or her designee) and must include a detailed description of the services to be rendered. The Treasurer or his or her designee will ensure that such services are included within the list of services that have received the general pre-approval of the Audit Committees. The Audit Committees will be informed at the next quarterly scheduled Audit Committees meeting of any such services for which the Auditor rendered an invoice and whether such services and fees had been pre-approved and if so, by what means.

Each request to provide services that require specific approval by the Audit Committees shall be submitted to the Audit Committees jointly by the Fund s Treasurer or his or her designee and the Auditor, and must include a joint statement that, in their view, such request is consistent with the policies and procedures and the SEC Rules.

Each request to provide tax services under either the general or specific pre-approval of the Audit Committees will describe in writing: (i) the scope of the service, the fee structure for the engagement, and any side letter or amendment to the engagement letter, or any other agreement between the Auditor and the audit client, relating to the service; and (ii) any compensation arrangement or other agreement between the Auditor and any person (other than the audit client) with respect to the promoting, marketing, or recommending of a transaction covered by the service. The Auditor will discuss with the Audit Committees the potential effects of the services on the Auditor s independence and will document the substance of the discussion.

Non-audit services pursuant to the *de minimis* exception provided by the SEC Rules will be promptly brought to the attention of the Audit Committees for approval, including documentation that each of the conditions for this exception, as set forth in the SEC Rules, has been satisfied.

On at least an annual basis, the Auditor will prepare a summary of all the services provided to any entity in the investment company complex as defined in section 2-01(f)(14) of Regulation S-X in sufficient detail as to the nature of the engagement and the fees associated with those services.

The Audit Committees have designated the Funds Treasurer to monitor the performance of all services provided by the Auditor and to ensure such services are in compliance with these policies and procedures. The Funds Treasurer will report to the Audit Committees on a periodic basis as to the results of such monitoring. Both the Funds Treasurer and management of Invesco will immediately report to the chairman of the Audit Committees any breach of these policies and procedures that comes to the attention of the Funds Treasurer or senior management of Invesco.

Exhibit 1 to Pre-Approval of Audit and Non-Audit Services Policies and Procedures
Conditionally Prohibited Non-Audit Services (not prohibited if the Fund can reasonably conclude that the results of the service would not be subject to audit procedures in connection with the audit of the Fund s financial statements)

- **Bookkeeping or other services related to the accounting records or financial statements of the audit client**
- **Financial information systems design and implementation**
- **Appraisal or valuation services, fairness opinions, or contribution-in-kind reports**
- **Actuarial services**
- **Internal audit outsourcing services**

Categorically Prohibited Non-Audit Services

- **Management functions**
- **Human resources**
- **Broker-dealer, investment adviser, or investment banking services**
- **Legal services**
- **Expert services unrelated to the audit**
- **Any service or product provided for a contingent fee or a commission**
- **Services related to marketing, planning, or opining in favor of the tax treatment of confidential transactions or aggressive tax position transactions, a significant purpose of which is tax avoidance**
- **Tax services for persons in financial reporting oversight roles at the Fund**
- **Any other service that the Public Company Oversight Board determines by regulation is impermissible.**

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

(a) The registrant has a separately-designed standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. Members of the audit committee are: David C. Arch, Frank S. Bayley, James T. Bunch, Bruce L. Crockett, Rodney Dammeyer, Larry Soll and Raymond Stickel, Jr.

(b) Not applicable.

ITEM 6. SCHEDULE OF INVESTMENTS.

Investments in securities of unaffiliated issuers is included as part of the reports to stockholders filed under Item 1 of this Form.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

I.1. PROXY POLICIES AND PROCEDURES INSTITUTIONAL

Applicable to	Institutional Accounts
Risk Addressed by Policy	breach of fiduciary duty to client under Investment Advisers Act of 1940 by placing Invesco personal interests ahead of client best economic interests in voting proxies
Relevant Law and Other Sources	Investment Advisers Act of 1940
Last Tested Date	
Policy/Procedure Owner	Advisory Compliance, Proxy Committee
Policy Approver	Invesco Risk Management Committee
Approved/Adopted Date	January 1, 2010

The following policies and procedures apply to all institutional accounts, clients and funds managed by Invesco Advisers, Inc. (Invesco). These policies and procedures do not apply to any of the retail funds managed by Invesco. See Section I.2 for the proxy policies and procedures applicable to Invesco s retail funds.

A. POLICY STATEMENT

Invesco has responsibility for making investment decisions that are in the best interests of its clients. As part of the investment management services it provides to clients, Invesco may be authorized by clients to vote proxies appurtenant to the shares for which the clients are beneficial owners.

Invesco believes that it has a duty to manage clients assets in the best economic interests of its clients and that the ability to vote proxies is a client asset.

Invesco reserves the right to amend its proxy policies and procedures from time to time without prior notice to its clients.

Voting of Proxies

Invesco will vote client proxies relating to equity securities in accordance with the procedures set forth below unless a non-ERISA client retains in writing the right to vote, the named fiduciary (e.g., the plan sponsor) of an ERISA client retains in writing the right to direct the plan trustee or a third party to vote proxies, or Invesco determines that any benefit the client might gain from voting a proxy would be outweighed by the costs associated therewith. In addition, due to the distinct nature of proxy voting for interests in fixed income assets and stable value wrap agreements, the proxies for such fixed income assets and stable value wrap agreements will be voted in accordance with the procedures set forth in the Proxy Voting for Fixed Income Assets and Stable Value Wrap Agreements section below.

Best Economic Interests of Clients

In voting proxies, Invesco will take into consideration those factors that may affect the value of the security and will vote proxies in a manner in which, in its opinion, is in the best economic interests of clients. Invesco endeavors to resolve any conflicts of interest exclusively in the best economic interests of clients.

B. OPERATING PROCEDURES AND RESPONSIBLE PARTIES

RiskMetrics Services

Invesco has contracted with RiskMetrics Group (RiskMetrics, formerly known as ISS), an independent third party service provider, to vote Invesco s clients proxies according to RiskMetrics proxy voting recommendations determined by RiskMetrics pursuant to its then-current US Proxy Voting Guidelines, a summary of which can be found at http://www.riskmetrics.com and which are deemed to be incorporated herein. In addition, RiskMetrics will provide proxy analyses, vote recommendations, vote execution and record-keeping services for clients for which Invesco has proxy voting responsibility. On an annual basis, the Proxy Committee will review information obtained from RiskMetrics to ascertain whether RiskMetrics (i) has the capacity and competency to adequately analyze proxy issues, and (ii) can make such recommendations in an impartial manner and in the best economic interests of Invesco s clients. This may include a review of RiskMetrics Policies, Procedures and Practices Regarding Potential Conflicts of Interest and obtaining information about the work RiskMetrics does for corporate issuers and the payments RiskMetrics receives from such issuers.

Custodians forward to RiskMetrics proxy materials for clients who rely on Invesco to vote proxies. RiskMetrics is responsible for exercising the voting rights in accordance with the RiskMetrics proxy voting guidelines. If Invesco receives proxy materials in connection with a client s account where the client has, in writing, communicated to Invesco that the client, plan fiduciary or other third party has reserved the right to vote proxies, Invesco will forward to the party appointed by client any proxy materials it receives with respect to the account. In order to avoid voting proxies in circumstances where Invesco, or any of its affiliates have or may have any conflict of interest, real or perceived, Invesco has engaged RiskMetrics to provide the proxy analyses, vote recommendations and voting of proxies.

In the event that (i) RiskMetrics recuses itself on a proxy voting matter and makes no recommendation or (ii) Invesco decides to override the RiskMetrics vote recommendation, the Proxy Committee will review the issue and direct RiskMetrics how to vote the proxies as described below.

Proxy Voting for Fixed Income Assets and Stable Value Wrap Agreements

Some of Invesco s fixed income clients hold interests in preferred stock of companies and some of Invesco s stable value clients are parties to wrap agreements. From time to time, companies that have issued preferred stock or that are parties to wrap agreements request that Invesco s clients vote proxies on particular matters. RiskMetrics does not currently provide proxy analysis or vote recommendations with respect to such proxy votes. Therefore, when a particular matter arises in this category, the investment team responsible for the particular mandate will review the matter and make a recommendation to the Proxy Manager as to how to vote the associated proxy. The Proxy Manager will complete the proxy ballots and send the ballots to the persons or entities identified in the ballots.

Proxy Committee

The Proxy Committee shall have seven (7) members, which shall include representatives from portfolio management, operations, and legal/compliance or other functional departments as deemed appropriate and who are knowledgeable regarding the proxy process. A majority of the members of the Proxy Committee shall constitute a quorum and the Proxy Committee shall act by a majority vote of those members in attendance at a meeting called for the purpose of determining how to vote a particular proxy. The Proxy Committee shall keep minutes of its meetings that shall be kept with the proxy voting records of Invesco. The Proxy Committee will appoint a Proxy Manager to manage the proxy voting process, which includes the voting of proxies and the maintenance of appropriate records.

The Proxy Manager shall call for a meeting of the Proxy Committee (1) when override submissions are made; and (2) in instances when RiskMetrics has recused itself or has not provided a vote recommendation with respect to an equity security. At such meeting, the Proxy Committee shall determine how proxies are to be voted in accordance with the factors set forth in the section entitled Best Economic Interests of Clients, above.

The Proxy Committee also is responsible for monitoring adherence to these procedures and engaging in the annual review described in the section entitled RiskMetrics Services, above.

Recusal by RiskMetrics or Failure of RiskMetrics to Make a Recommendation

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

Override of RiskMetrics Recommendation

There may be occasions where Invesco investment personnel, senior officers or a member of the Proxy Committee seek to override a RiskMetrics recommendation if they believe that a RiskMetrics recommendation is not in accordance with the best economic interests of clients. In the event that an individual listed above in this section disagrees with a RiskMetrics recommendation on a particular voting issue, the individual shall document in writing the reasons that he/she believes that the RiskMetrics recommendation is not in accordance with clients best economic interests and submit such written documentation to the Proxy Manager for consideration by the Proxy Committee along with the certification attached as Appendix A hereto. Upon review of the documentation and consultation with the individual and others as the Proxy Committee deems appropriate, the Proxy Committee may make a determination to override the RiskMetrics voting recommendation if the Committee determines that it is in the best economic interests of clients and the Committee has addressed any conflict of interest.

Proxy Committee Meetings

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

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

(1) describe any real or perceived conflict of interest,

(2) determine whether such real or perceived conflict of interest is material,

(3) discuss any procedure used to address such conflict of interest,

(4) report any contacts from outside parties (other than routine communications from proxy solicitors), and

(5) include confirmation that the recommendation as to how the proxies are to be voted is in the best economic interests of clients and was made without regard to any conflict of interest.

Based on the above review and determinations, the Proxy Committee will direct RiskMetrics how to vote the proxies as provided herein.

Certain Proxy Votes May Not Be Cast

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

CONFLICTS OF INTEREST

Procedures to Address Conflicts of Interest and Improper Influence

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

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

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

Business Relationships where Invesco manages money for a company or an employee group, manages pension assets or is actively soliciting any such business, or leases office space from a company;

Personal Relationships where an Invesco person has a personal relationship with other proponents of proxy proposals, participants in proxy contests, corporate directors, or candidates for directorships; and

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

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

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

In order to ensure compliance with these procedures, the Proxy Manager and each member of the Proxy Committee shall certify annually as to their compliance with this policy. In addition, any Invesco person who submits a RiskMetrics override recommendation to the Proxy Committee shall certify as to their compliance with this policy concurrently with the submission of their override recommendation. A form of such certification is attached as Appendix A.

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

C. RECORDKEEPING

Records are maintained in accordance with Invesco s Recordkeeping Policy.

<u>Proxy Voting Records</u>

The proxy voting statements and records will be maintained by the Proxy Manager on-site (or accessible via an electronic storage site of RiskMetrics) for the first two (2) years. Copies of the proxy voting statements and records will be maintained for an additional five (5) years by Invesco (or will be accessible via an electronic storage site of RiskMetrics). Clients may obtain information about how Invesco voted proxies on their behalf by contacting their client services representative. Alternatively, clients may make a written request for proxy voting information to: Proxy Manager, 1555 Peachtree Street, N.E., Atlanta, Georgia 30309.

APPENDIX A

ACKNOWLEDGEMENT AND CERTIFICATION

I acknowledge that I have read the Invesco Proxy Voting Policy (a copy of which has been supplied to me, which I will retain for future reference) and agree to comply in all respects with the terms and provisions thereof. I have disclosed or reported all real or potential conflicts of interest to the Invesco Chief Compliance Officer and will continue to do so as matters arise. I have complied with all provisions of this Policy.

Print Name

Date

Signature

I.1 Proxy Policy Appendix A

Acknowledgement and Certification

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

The following individuals are jointly and primarily responsible for the day-to-day management of the Trust:

Thomas Byron, Portfolio Manager, who has been responsible for the Trust since 2009 and has been associated with Invesco and/or its affiliates since 2010. From 1981 to 2010, Mr. Byron was associated with Morgan Stanley Investment Advisors Inc. in an investment management capacity.

Robert Stryker, Portfolio Manager, who has been responsible for the Trust since 2009 and has been associated with Invesco and/or its affiliates since 2010. From 1994 to 2010, Mr. Stryker was associated with Morgan Stanley Investment Advisors Inc. in an investment management capacity.

Robert Wimmel, Portfolio Manager, who has been responsible for the Trust since 2009 and has been associated with Invesco and/or its affiliates since 2010. From 1996 to 2010, Mr. Wimmel was associated with Morgan Stanley Investment Advisors Inc. in an investment management capacity.

Portfolio Manager Fund Holdings and Information on Other Managed Accounts

Invesco s portfolio managers develop investment models which are used in connection with the management of certain Invesco Funds as well as other mutual funds for which Invesco or an affiliate acts as sub-adviser, other pooled investment vehicles that are not registered mutual funds, and other accounts managed for organizations and individuals. The following chart reflects the portfolio managers investments in the Funds that they manage. The chart also reflects information regarding accounts other than the Funds for which each portfolio manager has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other registered investment companies, (ii) other pooled investment vehicles and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance (performance-based fees), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. Dollars using the exchange rates as of the applicable date.

The following information is as of October 31, 2010:

		Other Registered Investment Companies Managed (assets in millions)		Other Pooled Investment Vehicles Managed (assets in millions)		Other Accounts Managed (assets in millions)	
Portfolio Manager	**Dollar Range of Investments in Each Fund[1]**	**Number of Accounts**	**Assets**	**Number of Accounts**	**Assets**	**Number of Accounts**	**Assets**
Invesco Quality Municipal Income Trust							
Thomas Byron	None	28	$10,482.9	None	None	None	None
Robert Stryker	None	33	$11,205.9	None	None	None	None
Robert Wimmel	None	29	$11,101.6	None	None	None	None

Potential Conflicts of Interest

[1] This column reflects investments in a Fund s shares owned directly by a portfolio manager or beneficially owned by a portfolio manager (as determined in accordance with Rule 16a-1(a) (2) under the Securities Exchange Act of 1934, as amended). A portfolio manager is presumed to be a beneficial owner of securities that are held by his or her immediate family members sharing the same household.

Actual or apparent conflicts of interest may arise when a portfolio manager has day-to-day management responsibilities with respect to more than one Fund or other account. More specifically, portfolio managers who manage multiple Funds and/or other accounts may be presented with one or more of the following potential conflicts:

The management of multiple Funds and/or other accounts may result in a portfolio manager devoting unequal time and attention to the management of each Fund and/or other account. The Adviser and each Sub-Adviser seek to manage such competing interests for the time and attention of portfolio managers by having portfolio managers focus on a particular investment discipline. Most other accounts managed by a portfolio manager are managed using the same investment models that are used in connection with the management of the Funds.

If a portfolio manager identifies a limited investment opportunity which may be suitable for more than one Fund or other account, a Fund may not be able to take full advantage of that opportunity due to an allocation of filled purchase or sale orders across all eligible Funds and other accounts. To deal with these situations, the Adviser, each Sub-Adviser and the Funds have adopted procedures for allocating portfolio transactions across multiple accounts.

The Adviser and each Sub-Adviser determine which broker to use to execute each order for securities transactions for the Funds, consistent with its duty to seek best execution of the transaction. However, for certain other accounts (such as mutual funds for which Invesco or an affiliate acts as sub-adviser, other pooled investment vehicles that are not registered mutual funds, and other accounts managed for organizations and individuals), the Adviser and each Sub-Adviser may be limited by the client with respect to the selection of brokers or may be instructed to direct trades through a particular broker. In these cases, trades for a Fund in a particular security may be placed separately from, rather than aggregated with, such other accounts. Having separate transactions with respect to a security may temporarily affect the market price of the security or the execution of the transaction, or both, to the possible detriment of the Fund or other account(s) involved.

Finally, the appearance of a conflict of interest may arise where the Adviser or Sub-Adviser has an incentive, such as a performance-based management fee, which relates to the management of one Fund or account but not all Funds and accounts for which a portfolio manager has day-to-day management responsibilities.

The Adviser, each Sub-Adviser, and the Funds have adopted certain compliance procedures which are designed to address these types of conflicts. However, there is no guarantee that such procedures will detect each and every situation in which a conflict arises.

Description of Compensation Structure

For the Adviser and each affiliated Sub-Adviser

The Adviser and each Sub-Adviser seek to maintain a compensation program that is competitively positioned to attract and retain high-caliber investment professionals. Portfolio managers receive a base salary, an incentive bonus opportunity and an equity compensation opportunity. Portfolio manager compensation is reviewed and may be modified each year as appropriate to reflect changes in the market, as well as to adjust the factors used to determine bonuses to promote competitive Fund performance. The Adviser and each Sub-Adviser evaluate competitive market compensation by reviewing compensation survey results conducted by an independent third party of investment industry compensation. Each portfolio manager s compensation consists of the following three elements:

Base Salary. Each portfolio manager is paid a base salary. In setting the base salary, the Adviser and each Sub-Adviser s intention is to be competitive in light of the particular portfolio manager s experience and responsibilities.

Annual Bonus. The portfolio managers are eligible, along with other employees of the Adviser and each Sub-Adviser, to participate in a discretionary year-end bonus pool. The Compensation Committee of Invesco Ltd. reviews and approves the amount of the bonus pool available for the Adviser and each of the Sub-Adviser s investment centers. The Compensation Committee considers investment performance and financial results in its review. In addition, while having no direct impact on individual bonuses, assets under management are considered when determining the starting bonus funding levels. Each portfolio manager is eligible to receive an annual cash bonus which is based on quantitative (i.e. investment performance) and non-quantitative factors (which may include, but are not limited to, individual performance, risk management and teamwork).

Each portfolio manager s compensation is linked to the pre-tax investment performance of the Funds/accounts managed by the portfolio manager as described in Table 1 below.

Table 1

Sub-Adviser	**Performance time period**[2]
Invesco [3,4,5] Invesco Australia Invesco Deutschland	One-, Three- and Five-year performance against Fund peer group.
Invesco Senior Secured	N/A
Invesco Trimark[3]	One-year performance against Fund peer group. Three- and Five-year performance against entire universe of Canadian funds.
Invesco Hong Kong[3] Invesco Asset Management	One-, Three- and Five-year performance against Fund peer group.
Invesco Japan[6]	One-, Three- and Five-year performance against the appropriate Micropol benchmark.

Invesco Senior Secured s bonus is based on annual measures of equity return and standard tests of collateralization performance.

High investment performance (against applicable peer group and/or benchmarks) would deliver compensation generally associated with top pay in the industry (determined by reference to the third-party provided compensation survey information) and poor investment performance (versus applicable peer group) would result in low bonus compared to the applicable peer group or no bonus at all. These decisions are reviewed and approved collectively by senior leadership which has responsibility for executing the compensation approach across the organization.

Equity-Based Compensation. Portfolio managers may be granted an award that allows them to select receipt of shares of certain Invesco Funds with a vesting period as well as common shares and/or restricted shares of Invesco Ltd. stock from pools determined from time to time by the

2 Rolling time periods based on calendar year-end.

3 Portfolio Managers may be granted a short-term award that vests on a pro-rata basis over a four year period and final payments are based on the performance of eligible Funds selected by the portfolio manager at the time the award is granted.

4 Portfolio Managers for Invesco Global Real Estate Fund, Invesco Real Estate Fund, Invesco Select Real Estate Income Fund and Invesco V.I. Global Real Estate Fund base their bonus on new operating profits of the U.S. Real Estate Division of Invesco.

5 Portfolio Managers for Invesco Balanced Fund, Invesco Basic Balanced Fund, Invesco Basic Value Fund, Invesco Fundamental Value Fund, Invesco Large Cap Basic Value Fund, Invesco Large Cap Relative Value Fund, Invesco Mid Cap Basic Value Fund, Invesco Mid-Cap Value Fund, Invesco U.S. Mid Cap Value Fund,

Invesco Value Fund, Invesco Value II Fund, Invesco V.I. Basic Balanced Fund, Invesco V.I. Basic Value Fund, Invesco V.I. Select Dimensions Balanced Fund, Invesco V.I. Income Builder Fund, Invesco Van Kampen American Value Fund, Invesco Van Kampen Comstock Fund, Invesco Van Kampen Equity and Income Fund, Invesco Van Kampen Growth and Income Fund, Invesco Van Kampen Value Opportunities Fund, Invesco Van Kampen V.I. Comstock Fund, Invesco Van Kampen V.I. Growth and Income Fund, Invesco Van Kampen V.I. Equity and Income Fund, Invesco Van Kampen V.I. Mid Cap Value Fund and Invesco Van Kampen V.I. Value Fund s compensation is based on the one-, three- and five-year performance against the Fund s peer group. Furthermore, for the portfolio manager(s) formerly managing the predecessor funds to the Funds in this footnote 5, they also have a ten-year performance measure.

[6] Portfolio Managers for Invesco Pacific Growth Fund s compensation is based on the one-, three- and five-year performance against the appropriate Micropol benchmark. Furthermore, for the portfolio manager(s) formerly managing the predecessor fund to Invesco Pacific Growth Fund, they also have a ten-year performance measure.

Compensation Committee of Invesco Ltd. s Board of Directors. Awards of equity-based compensation typically vest over time, so as to create incentives to retain key talent.

Portfolio managers also participate in benefit plans and programs available generally to all employees.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

ITEM 11. CONTROLS AND PROCEDURES.

(a) As of December 14, 2010, an evaluation was performed under the supervision and with the participation of the officers of the Registrant, including the Principal Executive Officer (PEO) and Principal Financial Officer (PFO), to assess the effectiveness of the Registrant s disclosure controls and procedures, as that term is defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the Act), as amended. Based on that evaluation, the Registrant s officers, including the PEO and PFO, concluded that, as of December 14, 2010, the Registrant s disclosure controls and procedures were reasonably designed to ensure: (1) that information required to be disclosed by the Registrant on Form N-CSR is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the Securities and Exchange Commission; and (2) that material information relating to the Registrant is made known to the PEO and PFO as appropriate to allow timely decisions regarding required disclosure.

(b) There have been no changes in the Registrant s internal control over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the second fiscal quarter of the period covered by the report that has materially affected, or is reasonably likely to materially affect, the Registrant s internal control over financial reporting.

ITEM 12. EXHIBITS.

12(a)(1) Not applicable.

12(a)(2) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(a) under the Investment Company Act of 1940.

12(a)(3) Not applicable.

12(b) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(b) under the Investment Company Act of 1940.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.
Registrant: Invesco Quality Municipal Income Trust

By: /s/ Philip A. Taylor
Philip A. Taylor
Principal Executive Officer
Date: January 7, 2011

Pursuant to the requirements of the Securities and Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ Philip A. Taylor
Philip A. Taylor
Principal Executive Officer
Date: January 7, 2011

By: /s/ Sheri Morris
Sheri Morris
Principal Financial Officer
Date: January 7, 2011

EXHIBIT INDEX

12(a)(1)	Code of Ethics.
12(a)(2)	Certifications of principal executive officer and principal Financial officer as required by Rule 30a-2(a) under the Investment Company Act of 1940.
12(a)(3)	Not applicable.
12(b)	Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(b) under the Investment Company Act of 1940.