

NUVEEN PREMIUM INCOME MUNICIPAL FUND 4 INC
Form DEF 14A
June 18, 2009

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement.
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2)).**
- Definitive Proxy Statement.
- Definitive Additional Materials.
- Soliciting Material Pursuant to §240.14a-11(c) or §240.14a-12

Nuveen Premium Income Municipal Fund 4, Inc. (NPT)

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.
 - 1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

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- o Fee paid previously with preliminary materials.
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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Important Notice to Fund Shareholders

June 19, 2009

Although we recommend that you read the complete Proxy Statement, for your convenience, we have provided a brief overview of the issues to be voted on.

Q. Why am I receiving this Proxy Statement?

- A. You are receiving this Proxy Statement as a Fund shareholder in connection with the annual shareholders meeting for the Nuveen municipal closed-end funds listed at the top of the Notice of Annual Meeting of Shareholders.

You are being asked to vote on a number of important matters:

(i) Updated Investment Policies (Affected Municipal Funds (as defined in the Proxy Statement)). Nuveen's municipal closed-end funds are seeking to adopt a uniform, up to date set of investment policies (the New Investment Policies). In general, these funds currently have a somewhat diverse set of policies, reflecting when the funds were launched over the past 20 years as well as developments over time in the municipal market, including new types of securities as well as investment strategies.

(ii) Elimination of Fundamental Investment Policies and Approval of New Fundamental Investment Policy (Affected Insured Funds (as defined in the Proxy Statement)). Fund shareholders are being asked to approve the elimination of certain fundamental investment policies and to approve a new fundamental policy or policies (also referred to as, the New Investment Policy or New Investment Policies). These changes are designed to give the Affected Insured Funds important flexibility to respond to on-going developments in the bond insurance market while maintaining their current focus on insured bonds backed by insurers with solid credit ratings.

(iii) Approval of Fund Board Nominees (All Funds). Each year, you and other Fund shareholders must approve the election of Board members to serve on your Fund's Board. This is a requirement for all funds that list their common shares on a stock exchange. The Funds described in this Proxy Statement are holding their annual shareholders meetings at which Board members will be elected. The list of specific nominees is contained in the enclosed Proxy Statement.

Your Fund's Board of Trustees/Directors, including your Board's independent members, unanimously recommends that you vote **FOR** each proposal.

Your vote is very important. We encourage you as a shareholder to participate in your Fund's governance by returning your vote as soon as possible. If enough shareholders don't cast their votes, your Fund may not be able to hold its meeting or the vote on each issue, and will be required to incur additional solicitation costs in order to obtain sufficient shareholder participation.

Q. What are the potential benefits of the New Investment Policies for common shareholders of the Affected Municipal Funds?

- A. The potential benefits to common shareholders are:

Enhanced ability of the Affected Municipal Funds to generate attractive tax-free income while retaining their orientation on investment grade quality municipal securities;

Increased flexibility in diversifying portfolio risks and managing duration (the sensitivity of bond prices to interest rate changes) to pursue the preservation of and possible growth of capital, which, if successful, will help to sustain and build net asset value; and

Improved secondary market competitiveness that may lead to a higher relative market price and/or stronger premium/discount performance.

Q. What are the potential benefits of the New Investment Policies for preferred shareholders of the Affected Municipal Funds?

A. The potential benefits to preferred shareholders are increased flexibility in diversifying portfolio risks and managing duration (the sensitivity of bond prices to interest rate changes) to pursue the preservation of and possible growth of capital, which, if successful, will help to sustain and build net asset value and therefore asset coverage levels for preferred shares.

Q. What actions are required in order to implement the New Investment Policies?

A. In order to implement the New Investment Policies and obtain the potential benefits described above, each Affected Municipal Fund or Affected Insured Fund must make certain changes to its existing policies, including certain fundamental policies that require approval of shareholders. In some cases, this may require shareholder approval of the elimination of an existing fundamental policy as well as the implementation of a new replacement fundamental policy. Because each Affected Municipal Fund or Affected Insured Fund tends to be situated somewhat differently, the specific changes required to implement the New Investment Policies often vary from fund to fund.

Q. Why are shareholders of the Affected Insured Funds being asked to approve the elimination of fundamental investment policies and to approve a New Investment Policy?

A. As a result of conditions facing the bond insurance market, shareholders are being asked to approve the elimination of certain fundamental investment policies that are restricting, or may be expected in the future to restrict, each Affected Insured Fund's ability to effectively maintain its existing focus on insured bonds backed by insurers with solid credit ratings. In connection with eliminating the fundamental investment policies, shareholders are being asked to approve a new fundamental investment policy that will provide the Affected Insured Funds with flexibility to respond to on-going developments in the bond insurance market, while ensuring that the Affected Insured Funds continue to invest substantially all (at least 80%) of their investments in insured bonds backed by insurers with solid credit ratings.

Q. What happens if shareholders don't approve the elimination of the fundamental investment policies and/or don't approve the New Investment Policy or Policies?

A. An Affected Municipal Fund or Affected Insured Fund will not be able to implement the New Investment Policies as discussed above. The Affected Municipal Fund or Affected Insured Fund would likely incur further expenses to solicit additional shareholder participation, and may experience potential disruptions to its investment operations. The Boards of the Affected Municipal Funds and Affected Insured Funds urge you to vote without delay in order to avoid the potential for higher costs and/or disruptions to portfolio operations.

Q. Who do I call if I have questions?

- A.** If you need any assistance, or have any questions regarding the proposals or how to vote your shares, please call Computershare Fund Services, your Fund's proxy solicitor, at (866) 434-7510. Please have your proxy material available when you call.

Q. How do I vote my shares?

- A.** You can vote your shares by completing and signing the enclosed proxy card, and mailing it in the enclosed postage-paid envelope. Alternatively, you may vote by telephone by calling the toll-free number on the proxy card or by computer by going to the Internet address provided on the proxy card and following the instructions, using your proxy card as a guide.

Q. Will anyone contact me?

- A.** You may receive a call from Computershare Fund Services, the proxy solicitor hired by your Fund, to verify that you received your proxy materials, to answer any questions you may have about the proposals and to encourage you to vote your proxy.

We recognize the inconvenience of the proxy solicitation process and would not impose on you if we did not believe that the matters being proposed were important and in the best interests of the Fund's shareholders. Once your vote has been registered with the proxy solicitor, your name will be removed from the solicitor's follow-up contact list.

333 West Wacker Drive
Chicago, Illinois 60606
(800) 257-8787
**Notice of Annual Meeting
of Shareholders
July 28, 2009**

June 19, 2009

Nuveen Municipal Value Fund, Inc. (NUV)
Nuveen Municipal Income Fund, Inc. (NMI)
Nuveen Premium Income Municipal Fund, Inc. (NPI)
Nuveen Performance Plus Municipal Fund, Inc. (NPP)
Nuveen Municipal Advantage Fund, Inc. (NMA)
Nuveen Municipal Market Opportunity Fund, Inc. (NMO)
Nuveen Investment Quality Municipal Fund, Inc. (NQM)
Nuveen Select Quality Municipal Fund, Inc. (NQS)
Nuveen Quality Income Municipal Fund, Inc. (NQU)
Nuveen Premier Municipal Income Fund, Inc. (NPF)
Nuveen Premier Insured Municipal Income Fund, Inc. (NIF)
Nuveen Premium Income Municipal Fund 2, Inc. (NPM)
Nuveen Premium Income Municipal Fund 4, Inc. (NPT)
Nuveen Dividend Advantage Municipal Fund (NAD)
Nuveen Dividend Advantage Municipal Fund 2 (NXZ)
Nuveen Dividend Advantage Municipal Fund 3 (NZF)
Nuveen Municipal High Income Opportunity Fund (NMZ)
Nuveen Municipal High Income Opportunity Fund 2 (NMD)
Nuveen Insured Dividend Advantage Municipal Fund (NVG)
Nuveen Insured Municipal Opportunity Fund, Inc. (NIO)
Nuveen Insured Premium Income Municipal Fund 2 (NPX)
Nuveen Insured Quality Municipal Fund, Inc. (NQI)
Nuveen Insured Tax-Free Advantage Municipal Fund (NEA)
Nuveen Select Maturities Municipal Fund (NIM)
Nuveen Select Tax-Free Income Portfolio (NXP)
Nuveen Select Tax-Free Income Portfolio 2 (NXQ)
Nuveen Select Tax-Free Income Portfolio 3 (NXR)
Nuveen California Select Tax-Free Income Portfolio (NXC)
Nuveen New York Select Tax-Free Income Portfolio (NXN)

To the Shareholders of the Above Funds:

Notice is hereby given that the Annual Meeting of Shareholders (the Annual Meeting) of Nuveen Municipal Value Fund, Inc. (Municipal Value), Nuveen Municipal Income Fund, Inc. (Municipal Income), Nuveen Premium Income Municipal Fund, Inc. (Premium Income), Nuveen Performance Plus Municipal Fund, Inc. (Performance Plus), Nuveen Municipal Advantage Fund, Inc. (Municipal Advantage), Nuveen Municipal Market Opportunity Fund, Inc. (Municipal Market Opportunity), Nuveen Investment Quality Municipal Fund, Inc. (Investment Quality), Nuveen Select Quality Municipal Fund, Inc. (Select Quality), Nuveen Quality Income Municipal Fund, Inc. (Quality Income), Nuveen Insured Municipal Opportunity Fund, Inc. (Insured Municipal Opportunity), Nuveen Insured Quality Municipal Fund, Inc. (Insured Quality), Nuveen Premier Municipal Income Fund, Inc. (Premier Municipal), Nuveen Premier Insured Municipal Income Fund, Inc. (Premier Insured), Nuveen Premium Income Municipal Fund 2, Inc. (Premium Income 2), Nuveen Premium Income Municipal Fund 4, Inc. (Premium Income 4), each a **Minnesota Corporation** (each a Minnesota Fund and collectively, the Minnesota Funds), and Nuveen Dividend Advantage Municipal Fund (Dividend Advantage), Nuveen Insured Dividend Advantage Municipal Fund (Insured Dividend Advantage), Nuveen Insured Premium Income Municipal Fund 2 (Insured Premium Income 2), Nuveen Insured Tax-Free Advantage Municipal Fund (Insured Tax-Free Advantage), Nuveen Dividend Advantage Municipal Fund 2 (Dividend Advantage 2), Nuveen Dividend Advantage Municipal Fund 3 (Dividend Advantage 3), Nuveen Municipal High Income Opportunity Fund (Municipal High Income), Nuveen Municipal High Income Opportunity Fund 2 (Municipal High Income 2), Nuveen Select Maturities Municipal Fund (Select Maturities), Nuveen Select Tax-Free Income Portfolio (Select Portfolio), Nuveen Select Tax-Free Income Portfolio 2 (Select Portfolio 2), Nuveen Select Tax-Free Income Portfolio 3 (Select Portfolio 3), Nuveen California Select Tax-Free Income Portfolio (California Portfolio) and Nuveen New York Select Tax-Free Income Portfolio (New York Portfolio), each a **Massachusetts Business Trust** (individually, a Fund and collectively, the Funds), will be held in the Lobby Conference Room, Nuveen Investments, 333 West Wacker Drive, Chicago, Illinois, on Tuesday, July 28, 2009, at 10:30 a.m., Central time, for the following purposes and to transact such other business, if any, as may properly come before the Annual Meeting:

Matters to Be Voted on by Shareholders:

1. To elect Members to the Board of Directors/Trustees (each a Board and each Director or Trustee a Board Member) of each Fund as outlined below:
 - a. For each Minnesota Fund, except Municipal Value and Municipal Income, to elect nine (9) Board Members:
 - (i) seven (7) Board Members to be elected by the holders of Common Shares and Municipal Auction Rate Cumulative Preferred Shares (Preferred Shares), voting together as a single class; and
 - (ii) two (2) Board Members to be elected by the holders of Preferred Shares only, voting separately as a single class.
 - b. For Municipal Value and Municipal Income, to elect three (3) Board Members.
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- c. For each Massachusetts Business Trust, except Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2, to elect four (4) Board Members:
 - (i) two (2) Board Members to be elected by the holders of Common Shares and Preferred Shares, voting together as a single class; and
 - (ii) two (2) Board Members to be elected by the holders of Preferred Shares only, voting separately as a single class.
 - d. For Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2, to elect three (3) Board Members.
2. To approve the elimination of fundamental investment policies and/or to approve the new fundamental investment policies for Premium Income, Performance Plus, Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2, Municipal Advantage, Municipal Market Opportunity, Investment Quality, Select Quality, Quality Income, Premier Municipal, Premium Income 2, Premium Income 4, Dividend Advantage, Dividend Advantage 2, Dividend Advantage 3 and Municipal High Income.
 3. To approve the elimination of fundamental investment policies and to approve the new fundamental investment policy for Insured Municipal Opportunity, Insured Quality and Insured Dividend Advantage.
 4. To transact such other business as may properly come before the Annual Meeting.

Shareholders of record at the close of business on June 8, 2009 are entitled to notice of and to vote at the Annual Meeting.

All shareholders are cordially invited to attend the Annual Meeting. In order to avoid delay and additional expense and to assure that your shares are represented, please vote as promptly as possible, regardless of whether or not you plan to attend the Annual Meeting. You may vote by mail, telephone or over the Internet. To vote by mail, please mark, sign, date and mail the enclosed proxy card. No postage is required if mailed in the United States. To vote by telephone, please call the toll-free number located on your proxy card and follow the recorded instructions, using your proxy card as a guide. To vote over the Internet, go to the Internet address provided on your proxy card and follow the instructions, using your proxy card as a guide.

Kevin J. McCarthy
Vice President and Secretary

333 West Wacker Drive
Chicago, Illinois 60606
(800) 257-8787
Joint Proxy Statement

June 19, 2009

This Joint Proxy Statement is first being mailed to shareholders on or about June 19, 2009.

Nuveen Municipal Value Fund, Inc. (NUV)
Nuveen Municipal Income Fund, Inc. (NMI)
Nuveen Premium Income Municipal Fund, Inc. (NPI)
Nuveen Performance Plus Municipal Fund, Inc. (NPP)
Nuveen Municipal Advantage Fund, Inc. (NMA)
Nuveen Municipal Market Opportunity Fund, Inc. (NMO)
Nuveen Investment Quality Municipal Fund, Inc. (NQM)
Nuveen Select Quality Municipal Fund, Inc. (NQS)
Nuveen Quality Income Municipal Fund, Inc. (NQU)
Nuveen Premier Municipal Income Fund, Inc. (NPF)
Nuveen Premier Insured Municipal Income Fund, Inc. (NIF)
Nuveen Premium Income Municipal Fund 2, Inc. (NPM)
Nuveen Premium Income Municipal Fund 4, Inc. (NPT)
Nuveen Dividend Advantage Municipal Fund (NAD)
Nuveen Dividend Advantage Municipal Fund 2 (NXZ)
Nuveen Dividend Advantage Municipal Fund 3 (NZF)
Nuveen Municipal High Income Opportunity Fund (NMZ)
Nuveen Municipal High Income Opportunity Fund 2 (NMD)
Nuveen Insured Dividend Advantage Municipal Fund (NVG)
Nuveen Insured Municipal Opportunity Fund, Inc. (NIO)
Nuveen Insured Premium Income Municipal Fund 2 (NPX)
Nuveen Insured Quality Municipal Fund, Inc. (NQI)
Nuveen Insured Tax-Free Advantage Municipal Fund (NEA)
Nuveen Select Maturities Municipal Fund (NIM)
Nuveen Select Tax-Free Income Portfolio (NXP)
Nuveen Select Tax-Free Income Portfolio 2 (NXQ)
Nuveen Select Tax-Free Income Portfolio 3 (NXR)
Nuveen California Select Tax-Free Income Portfolio (NXC)
Nuveen New York Select Tax-Free Income Portfolio (NXN)

General Information

This Joint Proxy Statement is furnished in connection with the solicitation by the Board of Directors or Trustees (each a Board and collectively, the Boards, and each Director or Trustee, a Board Member and collectively, the Board Members) of Nuveen Municipal Value Fund, Inc. (Municipal Value), Nuveen Municipal Income Fund, Inc. (Municipal Income), Nuveen Premium Income Municipal Fund, Inc. (Premium Income), Nuveen Performance Plus Municipal Fund, Inc. (Performance Plus), Nuveen Municipal Advantage Fund, Inc. (Municipal Advantage), Nuveen Municipal Market Opportunity Fund, Inc. (Municipal Market Opportunity), Nuveen Investment Quality Municipal Fund, Inc. (Investment Quality), Nuveen Select Quality Municipal Fund, Inc. (Select Quality), Nuveen Quality Income Municipal Fund, Inc. (Quality Income), Nuveen Insured Municipal Opportunity Fund, Inc. (Insured Municipal Opportunity), Nuveen Insured Quality Municipal Fund, Inc. (Insured Quality), Nuveen Premier Municipal Income Fund, Inc. (Premier Municipal), Nuveen Premier Insured Municipal Income Fund, Inc. (Premier Insured), Nuveen Premium Income Municipal Fund 2, Inc. (Premium Income 2), Nuveen Premium Income Municipal Fund 4, Inc. (Premium Income 4), each a **Minnesota Corporation** (each referred to herein as a Minnesota Fund and collectively, the Minnesota Funds), and Nuveen Dividend Advantage Municipal Fund (Dividend Advantage), Nuveen Insured Dividend Advantage Municipal Fund (Insured Dividend Advantage), Nuveen Insured Premium Income Municipal Fund 2 (Insured Premium Income 2), Nuveen Insured Tax-Free Advantage Municipal Fund (Insured Tax-Free Advantage), Nuveen Dividend Advantage Municipal Fund 2 (Dividend Advantage 2), Nuveen Dividend Advantage Municipal Fund 3 (Dividend Advantage 3), Nuveen Municipal High Income Opportunity Fund (Municipal High Income), Nuveen Municipal High Income Opportunity Fund 2 (Municipal High Income 2), Nuveen Select Maturities Municipal Fund (Select Maturities), Nuveen Select Tax-Free Income Portfolio (Select Portfolio), Nuveen Select Tax-Free Income Portfolio 2 (Select Portfolio 2), Nuveen Select Tax-Free Income Portfolio 3 (Select Portfolio 3), Nuveen California Select Tax-Free Income Portfolio (California Portfolio) and Nuveen New York Select Tax-Free Income Portfolio (New York Portfolio), each a **Massachusetts Business Trust** (each referred to herein as a Massachusetts Fund and collectively, the Massachusetts Funds) (the Massachusetts Funds and Minnesota Funds are each, a Fund and collectively, the Funds), of proxies to be voted at the Annual Meeting of Shareholders to be held in the Lobby Conference Room, Nuveen Investments, 333 West Wacker Drive, Chicago, Illinois, on Tuesday, July 28, 2009, at 10:30 a.m., Central time (for each Fund, an Annual Meeting and collectively, the Annual Meetings), and at any and all adjournments thereof.

On the matters coming before each Annual Meeting as to which a choice has been specified by shareholders on the proxy, the shares will be voted accordingly. If a proxy is returned and no choice is specified, the shares will be voted FOR the election of the nominees as listed in this Joint Proxy Statement and FOR the elimination of the fundamental investment policies and the adoption of new fundamental investment policies for the Affected Municipal Funds (as defined below) and the Affected Insured Funds (as defined below). Shareholders who execute proxies may revoke them at any time before they are voted by filing with that Fund a written notice of revocation, by delivering a duly executed proxy bearing a later date, or by attending the Annual Meeting and voting in person.

The Board of each Fund has determined that the use of this Joint Proxy Statement for each Annual Meeting is in the best interest of each Fund and its shareholders in light of the similar matters being considered and voted on by the shareholders.

The following table indicates which shareholders are solicited with respect to each matter:

Matter	Common Shares	Preferred Shares⁽¹⁾
1(a)(i) For each Minnesota Fund (except Municipal Value and Municipal Income), election of seven (7) Board Members by all shareholders.	X	X
1(a)(ii) For each Minnesota Fund (except Municipal Value and Municipal Income), election of two (2) Board Members by Preferred Shares only.	X	X
1(b) For Municipal Value and Municipal Income, election of three (3) Board Members by all shareholders.	X	N/A
1(c)(i) For each Massachusetts Fund (except Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2), election of two (2) Board Members by all shareholders.	X	X
1(c)(ii) For each Massachusetts Fund (except Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2), election of two (2) Board Members by Preferred Shares only.	X	X
1(d) For Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2, election of three (3) Board Members by all shareholders.	X	N/A
2. For Premium Income, Performance Plus, Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2, Municipal Advantage, Municipal Market Opportunity, Investment Quality, Select Quality, Quality Income, Premier Municipal, Premium Income 2, Premium Income 4, Dividend Advantage, Dividend Advantage 2, Dividend Advantage 3 and Municipal High Income (the Affected Municipal Funds), to approve the elimination of fundamental investment policies and/or to	X	X

approve the new fundamental investment policies.

Matter	Common Shares	Preferred Shares ⁽¹⁾
2(a) For each Affected Municipal Fund except Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2, to approve the elimination of the Fund's fundamental investment policies relating to investments in municipal securities and below investment grade securities.	X	X
2(b) For each Affected Municipal Fund except Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2, to approve the new fundamental investment policy relating to investments in municipal securities.	X	X
2(c) For each Affected Municipal Fund, except Dividend Advantage, Dividend Advantage 2, Dividend Advantage 3 and Municipal High Income, to approve the elimination of the fundamental investment policy relating to investing in other investment companies.	X	X
2(d) For each Affected Municipal Fund, except Dividend Advantage, Dividend Advantage 2, Dividend Advantage 3 and Municipal High Income, to approve the elimination of fundamental investment policies relating to commodities.	X	X
2(e) For each Affected Municipal Fund, except Dividend Advantage, Dividend Advantage 2, Dividend Advantage 3 and Municipal High Income, to approve the new fundamental investment policy relating to commodities.	X	X
2(f) For each Affected Municipal Fund, except Dividend Advantage, Dividend Advantage 2, Dividend Advantage 3 and Municipal High Income, to approve the elimination of the fundamental investment policy relating to derivatives and shorts sales.	X	X
3(a) For Insured Municipal Opportunity, Insured Quality and Insured Dividend Advantage (the Affected Insured Funds), to approve the elimination of fundamental investment policies relating to tax-exempt securities.	X	X

3(b) For each Affected Insured Fund, to approve a new fundamental investment policy relating to tax-exempt securities. X X

(1) Variable Rate Demand Preferred Shares for Dividend Advantage 2 and Insured Premium Income 2 and Municipal Auction Rate Cumulative Preferred Shares (MuniPreferred) for each other Fund are referred to as Preferred Shares. Municipal High Income 2, Municipal Value, Municipal Income, Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio and New York Portfolio have not issued Preferred Shares.

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A quorum of shareholders is required to take action at each Annual Meeting. A majority of the shares entitled to vote at each Annual Meeting, represented in person or by proxy, will constitute a quorum of shareholders at that Annual Meeting, except that for the election of the two Board Member nominees to be elected by holders of Preferred Shares of each Fund (except Municipal Value, Municipal Income, Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2), 33 1/3% of the Preferred Shares entitled to vote and represented in person or by proxy will constitute a quorum. Votes cast by proxy or in person at each Annual Meeting will be tabulated by the inspectors of election appointed for that Annual Meeting. The inspectors of election will determine whether or not a quorum is present at the Annual Meeting. The inspectors of election will treat abstentions and broker non-votes (i.e., shares held by brokers or nominees, typically in street name, as to which (i) instructions have not been received from the beneficial owners or persons entitled to vote and (ii) the broker or nominee does not have discretionary voting power on a particular matter) as present for purposes of determining a quorum.

For each Fund, the affirmative vote of a plurality of the shares present and entitled to vote at the Annual Meeting will be required to elect the Board Members of that Fund. For purposes of determining the approval of the proposal to elect nominees for each Fund, abstentions and broker non-votes will have no effect on the election of Board Members. For purposes of determining the approval of the elimination of the fundamental investment policies and the approval of the new fundamental investment policies for the Affected Municipal Funds and the Affected Insured Funds, a change will only be consummated if approved by the affirmative vote of the holders of a majority of the outstanding shares of a Fund's common shares and Preferred Shares, voting together as a single class, and of the Preferred Shares, voting as a separate class, as defined in the Investment Company Act of 1940, as amended (the 1940 Act), as (a) 67% or more of the voting securities present at the Annual Meeting, if the holders of more than 50% of the outstanding voting securities are present or represented by proxy; or (b) more than 50% of the outstanding voting securities, whichever is less. For purposes of determining the approval of the elimination of the fundamental investment policies and the approval of the new fundamental investment policies, abstentions and broker non-votes will have the same effect as shares voted against the proposal.

Preferred Shares held in street name as to which voting instructions have not been received from the beneficial owners or persons entitled to vote as of one business day before the Annual Meeting, or, if adjourned, one business day before the day to which the Annual Meeting is adjourned, and that would otherwise be treated as broker non-votes may, pursuant to Rule 452 of the New York Stock Exchange, be voted by the broker on the proposal in the same proportion as the votes cast by all holders of Preferred Shares as a class who have voted on the proposal or in the same proportion as the votes cast by all holders of Preferred Shares of the Fund who have voted on that item. Rule 452 permits proportionate voting of Preferred Shares with respect to a particular item if, among other things, (i) a minimum of 30% of the Preferred Shares or shares of a series of Preferred Shares outstanding has been voted by the holders of such shares with respect to such item and (ii) less than 10% of the Preferred Shares or shares of a series of Preferred Shares outstanding has been voted by the holders of such shares against such item. For the purpose of meeting the 30% test, abstentions will be treated as shares voted and, for the purpose of meeting the 10% test, abstentions will not be treated as shares voted against the item.

Those persons who were shareholders of record at the close of business on June 8, 2009 will be entitled to one vote for each share held and a proportionate fractional vote for each fractional share held. As of June 8, 2009, the shares of the Funds were issued and outstanding as follows:

Fund	Ticker Symbol*	Common Shares	Preferred Shares	
Municipal Value	NUV	196,511,139	N/A	
Municipal Income	NMI	8,163,929	N/A	
Premium Income	NPI	63,785,430	Series M	2,900
			Series M2	1,526
			Series T	2,900
			Series W	2,900
			Series TH	2,901
			Series F	2,899
Performance Plus	NPP	59,914,073	Series M	3,553
			Series T	3,552
			Series W	3,551
			Series TH	2,806
			Series F	3,553
Municipal Advantage	NMA	43,214,524	Series M	2,503
			Series T	2,503
			Series W	2,502
			Series TH	1,936
			Series F	2,503
Municipal Market Opportunity	NMO	45,557,788	Series M	3,649
			Series T	3,648
			Series W	2,920
			Series F	3,650
Investment Quality	NQM	35,820,767	Series M	1,750
			Series T	1,750
			Series W	1,749
			Series TH	1,429
			Series F	1,750

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Select Quality	NQS	34,015,420	Series M	1,849
			Series T	1,849
			Series W	2,589
			Series TH	1,442
			Series F	2,588
Quality Income	NQU	54,219,374	Series M	2,678
			Series T	2,680
			Series W	2,679
			Series W2	1,857
			Series TH	3,571
			Series F	2,679
Premier Municipal	NPF	19,888,518	Series M	769
			Series T	2,153
			Series TH	2,152

Fund	Ticker Symbol*	Common Shares	Preferred Shares	
Premier Insured	NIF	19,419,608	Series W	678
			Series TH	2,263
			Series F	2,264
Premium Income 2	NPM	40,794,161	Series M	1,600
			Series T	2,401
			Series W	1,600
			Series TH	2,401
			Series F	1,601
			Series F2	1,504
Premium Income 4	NPT	43,236,703	Series M	1,761
			Series T	1,602
			Series T2	1,063
			Series W	1,345
			Series W2	423
			Series TH	2,146
			Series F	1,440
			Series F2	1,062
Dividend Advantage	NAD	39,287,298	Series M	3,618
			Series T	3,617
			Series TH	3,437
Dividend Advantage 2	NXZ	29,436,351	Series 1	1,960
Dividend Advantage 3	NZF	40,378,174	Series W	3,159
			Series TH	3,159
			Series F	3,160
Municipal High Income	NMZ	24,234,875	Series M	1,826
			Series T	987
			Series W	987
Municipal High Income 2	NMD	15,974,681	N/A	

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Insured Dividend Advantage	NVG	29,802,900	Series M	2,749
			Series T	2,679
			Series TH	2,678
Insured Municipal Opportunity	NIO	81,138,037	Series M	3,372
			Series T	3,372
			Series W	3,373
			Series W2	2,698
			Series TH	3,372
			Series TH2	3,374
			Series F	3,371
Insured Premium Income 2	NPX	37,353,512	Series I	2,190
Insured Quality	NQI	38,295,278	Series M	2,009
			Series T	2,010
			Series W	2,011
			Series TH	1,794
			Series F	2,010
Insured Tax-Free Advantage	NEA	18,506,397	Series T	2,573
			Series W	2,573
Select Maturities	NIM	12,405,962	N/A	

Fund	Ticker Symbol*	Common Shares	Preferred Shares
Select Portfolio	NXP	16,443,829	N/A
Select Portfolio 2	NXQ	17,646,933	N/A
Select Portfolio 3	NXR	12,984,661	N/A
California Portfolio	NXC	6,267,289	N/A
New York Portfolio	NXN	3,910,604	N/A

* The Common Shares of all of the Funds are listed on the New York Stock Exchange, except NEA, NVG, NXZ, NZF and NMZ, which are listed on the NYSE Amex.

1. Election of Board Members

Minnesota Corporations

At the Annual Meeting of each Minnesota Corporation, Board Members are to be elected to serve until the next annual meeting or until their successors shall have been duly elected and qualified. Under the terms of each Minnesota Corporation's organizational documents (except Municipal Value and Municipal Income), under normal circumstances, holders of Preferred Shares are entitled to elect two (2) Board Members, and the remaining Board Members are to be elected by holders of Common Shares and Preferred Shares, voting together as a single class. Pursuant to the organizational documents of Municipal Value and Municipal Income, each Board is divided into three classes, with each class being elected to serve until the third succeeding annual meeting subsequent to their election or thereafter in each case when their respective successors are duly elected and qualified. For Municipal Value and Municipal Income, three (3) Board Members are nominated to be elected at this Annual Meeting.

a. For each Minnesota Corporation, except Municipal Value and Municipal Income:

- (i) seven (7) Board Members are to be elected by holders of Common Shares and Preferred Shares, voting together as a single class. Board Members Amboian, Bremner, Evans, Kundert, Stockdale, Stone and Toth are nominees for election by all shareholders.
- (ii) two (2) Board Members are to be elected by holders of Preferred Shares, each series voting together as a single class. Board Members Hunter and Schneider are nominees for election by holders of Preferred Shares.

b. For Municipal Value and Municipal Income: three (3) Board Members are to be elected by all shareholders.

With respect to Municipal Value, Board Members Bremner, Evans and Schneider have been designated as Class III Board Members and as nominees for Board Members for a term expiring at the annual meeting of shareholders in 2012 or until their successors have been duly elected and qualified. Board Members Amboian, Hunter, Kundert, Stockdale, Stone and Toth are current and continuing Board Members. Board Members Hunter, Stockdale and Stone have been designated as Class I Board Members for a term expiring at the annual meeting of shareholders in 2010 or until their successors have been duly elected and qualified. Board Members Amboian, Kundert and Toth have

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been designated as Class II Board Members for a term expiring at the annual meeting of shareholders in 2011 or until their successors have been duly elected and qualified.

With respect to Municipal Income, Board Members Bremner, Evans and Schneider have been designated as Class II Board Members and as nominees for Board Members for a term expiring at the annual meeting of shareholders in 2012 or until their successors have been duly elected and qualified. Board Members Amboian, Hunter, Kundert, Stockdale, Stone and Toth are current and continuing Board Members. Board Members Hunter, Stockdale and Stone have been designated as Class III Board Members for a term expiring at the annual meeting of shareholders in 2010 or until their successors have been duly elected and qualified. Board Members Amboian, Kundert and Toth have been designated as Class I Board Members for a term expiring at the annual meeting of shareholders in 2011 or until their successors have been duly elected and qualified.

Massachusetts Business Trusts

Pursuant to the organizational documents of each Massachusetts Business Trust, each Board is divided into three classes, Class I, Class II and Class III, to be elected by the holders of the outstanding Common Shares and any outstanding Preferred Shares, voting together as a single class to serve until the third succeeding annual meeting subsequent to their election or thereafter, in each case until their successors have been duly elected and qualified. For each Massachusetts Business Trust, except Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2, under normal circumstances, holders of Preferred Shares are entitled to elect two (2) Board Members. The Board Members elected by holders of Preferred Shares will be elected to serve until the next annual meeting or until their successors shall have been duly elected and qualified.

c. For each Massachusetts Business Trust, except Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2:

- (i) two (2) Board Members are to be elected by holders of Common Shares and Preferred Shares, voting together as a single class. Board Members Bremner and Evans have been designated as Class III Board Members and as nominees for Board Members for a term expiring at the annual meeting of shareholders in 2012 or until their successors have been duly elected and qualified. Board Members Amboian, Kundert, Stockdale, Stone and Toth are current and continuing Board Members. Board Members Stockdale and Stone have been designated as Class I Board Members for a term expiring at the annual meeting of shareholders in 2010 or until their successors have been duly elected and qualified. Board Members Amboian, Kundert and Toth have been designated as Class II Board Members for a term expiring at the annual meeting of shareholders in 2011 or until their successors have been duly elected and qualified.
- (ii) two (2) Board Members are to be elected by holders of Preferred Shares, voting separately as a single class. Board Members Hunter and Schneider are nominees for election by holders of Preferred Shares for a term expiring at the next annual meeting or until their successors have been duly elected and qualified.

d. For Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2:

Three (3) Board Members are to be elected by all shareholders. Board Members Bremner, Evans and Schneider have been designated as Class III Board Members and as nominees for Board Members for a term expiring at the annual meeting of shareholders in 2012 or until their successors have been duly elected and qualified. Board Members Amboian, Hunter, Kundert, Stockdale, Stone and Toth are current and continuing Board Members. Board Members Hunter, Stockdale and Stone have been designated as Class I Board Members for a term expiring at the annual meeting of shareholders in 2010 or until their successors have been duly elected and qualified. Board Members Amboian, Kundert and Toth have been designated as Class II Board Members for a term expiring at the annual meeting of shareholders in 2011 or until their successors have been duly elected and qualified.

It is the intention of the persons named in the enclosed proxy to vote the shares represented thereby for the election of the nominees listed in the table below unless the proxy is marked otherwise. Each of the nominees has agreed to serve as a Board Member of each Fund if elected. However, should any nominee become unable or unwilling to accept nomination for election, the proxies will be voted for substitute nominees, if any, designated by that Fund's present Board.

For each Minnesota Corporation, except for Municipal Value, Municipal Income, Insured Municipal Opportunity, Insured Quality and Premier Insured, all Board Member nominees were last elected to each Fund's Board at the annual meeting of shareholders held on July 29, 2008 and adjourned to August 29, 2008, September 30, 2008 and October 28, 2008.

For Municipal Value, Board Members Amboian, Kundert and Toth were last elected as Class II Board Members at the annual meeting of shareholders held on July 29, 2008 and adjourned to August 29, 2008. Board Member Hunter was last elected as a Class I Board Member of the Board of Municipal Value at the annual meeting of shareholders held on July 29, 2008 and adjourned to August 29, 2008. Board Members Stockdale and Stone were last elected as Class I Board Members of the Board of Municipal Value at the annual meeting of shareholders held on July 31, 2007.

For Municipal Income, Board Members Amboian, Kundert and Toth were last elected as Class I Board Members at the annual meeting of shareholders held on July 29, 2008 and adjourned to August 29, 2008. Board Member Hunter was last elected as a Class III Board Member of the Board of Municipal Income at the annual meeting of shareholders held on July 29, 2008 and adjourned to August 29, 2008. Board Members Stockdale and Stone were last elected as Class III Board Members of the Board of Municipal Income at the annual meeting of shareholders held on July 31, 2007.

For Insured Municipal Opportunity, Insured Quality and Premier Insured, all Board Member nominees were last elected to each Fund's Board at the annual meeting of shareholders held on June 30, 2008 and adjourned to July 28, 2008, August 29, 2008, September 30, 2008 and October 28, 2008.

For each Massachusetts Business Trust, except Insured Dividend Advantage, Insured Premium Income 2, Insured Tax-Free Advantage, Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2, Board

Members Amboian, Kundert and Toth were last elected to each Fund's Board as Class II Board Members and Board Members Schneider and Hunter were last elected to each Fund's Board at the annual meeting of shareholders held on July 29, 2008 and adjourned to August 29, 2008, September 30, 2008 and October 28, 2008. Board Members Stockdale and Stone were last elected to each Fund's Board as Class I Board Members at the annual meeting of shareholders held on July 31, 2007.

For Insured Dividend Advantage, Insured Premium Income 2 and Insured Tax-Free Advantage, Board Members Amboian, Kundert and Toth were last elected to each Fund's Board as Class II Board Members and Board Members Hunter and Schneider were last elected to each Fund's Board at the annual meeting of shareholders held on June 30, 2008 and adjourned to July 28, 2008 and August 29, 2008, and for Insured Premium Income 2, adjourned to September 30, 2008 and for Insured Dividend Advantage, adjourned to September 30, 2008 and October 28, 2008. Board Members Stockdale and Stone were last elected to each Fund's Board as Class I Board Members at the annual meeting of shareholders held on July 31, 2007.

For Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio and New York Portfolio, Board Members Amboian, Kundert and Toth were last elected to each Fund's Board as Class II Board Members at the annual meeting of shareholders held on July 29, 2008 and adjourned to August 29, 2008. Board Member Hunter was last elected to each Fund's Board as a Class I Board Member at the annual meeting of shareholders held on July 29, 2008 and adjourned to August 29, 2008. Board Members Stockdale and Stone were last elected as Class I Board Members to each Fund's Board at the annual meeting of shareholders held on July 31, 2007.

For Municipal High Income 2, Board Members Amboian, Kundert and Toth were last elected as Class II Board Members and Board Member Hunter was last elected as a Class I Board Member at the annual meeting of shareholders held on July 29, 2008. Board Members Bremner, Evans, Schneider, Stockdale and Stone were elected by the initial shareholder of the Fund, Nuveen Asset Management (the Adviser or NAM), on November 13, 2007.

Other than Mr. Amboian (for all Funds), all Board Member nominees are not interested persons as defined in the 1940 Act, of the Funds or of the Adviser and have never been an employee or director of Nuveen Investments, Inc. (Nuveen), the Adviser's parent company, or any affiliate. Accordingly, such Board Members are deemed Independent Board Members.

The Board unanimously recommends that shareholders vote FOR the election of the nominees named below.

Board Nominees/Board Members

Name, Address and Birth Date	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member

Nominees/Board Members who are not interested persons of the Funds

Robert P. Bremner c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL 60606 (8/22/40)	Chairman of the Board, Board Member	Term: Annual or Class III Board Member until 2009 ⁽²⁾	Private Investor and Management Consultant; Treasurer and Director, Humanities Council of Washington D.C.	200	N/A
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Name, Address and Birth Date	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member
<p>Jack B. Evans c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL 60606 (10/22/48)</p>	<p>Board Member</p>	<p>Length of Service: Since 1996; Chairman of the Board since 2008; Lead Independent Director (2005-2008)</p> <p>Term: Annual or Class III Board Member until 2009⁽²⁾</p> <p>Length of Service: Since 1999</p>	<p>President, The Hall-Perrine Foundation, a private philanthropic corporation (since 1996); Director and Vice Chairman, United Fire Group, a publicly held company; Member of the Board of Regents for the State of Iowa University System; Director, Gazette Companies; Life Trustee of Coe College and Iowa College Foundation; Member of the Advisory Council of the Department of Finance in the Tippie College of Business, University of Iowa; formerly, Director, Alliant Energy; formerly, Director, Federal Reserve Bank of Chicago; formerly, President and Chief Operating Officer, SCI Financial Group, Inc.,</p>	<p>200</p>	<p>See Principal Occupation Description</p>

a regional financial services firm.

<p>William C. Hunter c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL 60606 (3/6/48)</p>	<p>Board Member</p>	<p>Term: Annual or Class II Board Member until 2010⁽²⁾ Length of Service: Since 2004</p>	<p>Dean, Tippie College of Business, University of Iowa (since 2006); Director (since 2004) of Xerox Corporation, a publicly held company; formerly, (2003-2006), Dean and Distinguished Professor of Finance, School of Business at the University of Connecticut; formerly, Senior Vice President and Director of Research at the Federal Reserve Bank of Chicago (1995-2003); formerly, Director, SS&C Technologies, Inc. (May 2005-October 2005); formerly, Director, Credit Research Center at Georgetown University (1997-2007).</p>	<p>200</p>	<p>See Principal Occupation Description</p>
<p>David J. Kundert c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL 60606 (10/28/42)</p>	<p>Board Member</p>	<p>Term: Annual or Class II Board Member until 2011⁽²⁾ Length of Service: Since 2005</p>	<p>Director, Northwestern Mutual Wealth Management Company; retired (2004) as Chairman, JPMorgan Fleming Asset Management, President and CEO, Banc One Investment Advisors Corporation, and President, One Group Mutual Funds; prior thereto, Executive Vice President, Bank One Corporation and Chairman and CEO, Banc One Investment Management Group; Board of Regents, Luther College; member of the Wisconsin Bar Association; member of Board of Directors, Friends of Boerner Botanical Gardens;</p>	<p>200</p>	<p>See Principal Occupation Description</p>

member of Investment
Committee, Greater
Milwaukee Foundation.

<p>William J. Schneider c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL 60606 (9/24/44)</p>	<p>Board Member</p>	<p>Term: Annual or Class III Board Member until 2009⁽²⁾</p> <p>Length of Service: Since 1996</p>	<p>Chairman, of Miller-Valentine Partners Ltd., a real estate investment company; formerly, Senior Partner and Chief Operating Officer (retired, 2004) of Miller-Valentine Group; Member, University of Dayton Business School Advisory Council; Member, Dayton Philharmonic Orchestra Board; formerly, Member, Business Advisory Council, Cleveland Federal Reserve Bank; formerly, Director, Dayton Development Coalition.</p>	<p>200</p>	<p>See Principal Occupation Description</p>
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Name, Address and Birth Date	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member
Judith M. Stockdale c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL 60606 (12/29/47)	Board Member	Term: Annual or Class I Board Member until 2010 ⁽²⁾ Length of Service: Since 1997	Executive Director, Gaylord and Dorothy Donnelley Foundation (since 1994); prior thereto, Executive Director, Great Lakes Protection Fund (from 1990 to 1994).	200	N/A
Carole E. Stone c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL 60606 (6/28/47)	Board Member	Term: Annual or Class I Board Member until 2010 ⁽²⁾ Length of Service: Since 2007	Director, Chicago Board Options Exchange (since 2006); Commissioner, NYSE Commission on Public Authority Reform (since 2005); formerly Director, New York State Division of the Budget (2000-2004), Chair, Public Authorities Control Board (2000-2004) and Director, Local Government Assistance Corporation (2000-2004); Chair, New York Racing Association Oversight Board (2005-2007).	200	See Principal Occupation Description
Terence J. Toth c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL	Board Member Nominee	Term: Annual or Class II Board Member until 2011 ⁽²⁾ Length of Service:	Director, Legal & General Investment Management America, Inc. (since 2008); Managing Partner, Musso Capital Management (since 2008);	200	See Principal Occupation Description

60606 (9/29/59)	Since 2008	Private Investor (since 2007); CEO and President, Northern Trust Investments (2004-2007); Executive Vice President, Quantitative Management & Securities Lending (2000-2004); prior thereto, various positions with Northern Trust Company (since 1994); Member: Goodman Theatre Board (since 2004); Chicago Fellowship Board (since 2005), University of Illinois Leadership Council Board (since 2007) and Catalyst Schools of Chicago Board (since 2008); formerly Member: Northern Trust Mutual Funds Board (2005-2007), Northern Trust Investments Board (2004-2007), Northern Trust Japan Board (2004-2007), Northern Trust Securities Inc. Board (2003-2007) and Northern Trust Hong Kong Board (1997-2004).
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Nominee/Board Member who is an interested person of the Funds

John P. Amboian ⁽³⁾ 333 West Wacker Drive Chicago, IL 60606 (6/14/61)	Board Member Nominee	Term: Annual or Class II Board Member until 2011 ⁽²⁾ Length of Service: Since 2008	Chief Executive Officer (since July 2007) and Director (since 1999) of Nuveen Investments, Inc.; Chief Executive Officer (since 2007) of Nuveen Asset Management, Nuveen Investments Advisers, Inc. formerly, President (1999-2004) of Nuveen Advisory Corp. and Nuveen Institutional Advisory Corp. ⁽⁴⁾	200	See Principal Occupation Description
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(1) Length of Time Served indicates the year in which the individual became a Board Member of a fund in the Nuveen fund complex.

- (2) For Municipal Value, Select Maturities, Select Portfolio, Select Portfolio 2, Select Portfolio 3, California Portfolio, New York Portfolio and Municipal High Income 2, Board Member Hunter serves as a Class I Board Member and Board Member Schneider serves as a Class III Board Member. For Municipal Income, Board Members Amboian, Kundert and Toth serve as Class I Board Members. Board Members Hunter, Stockdale and Stone are Class III Board Members, and Board Members Bremner, Evans and Schneider are Class II Board Members.
- (3) Interested person as defined in the 1940 Act, by reason of being an officer and director of each Fund's adviser.
- (4) Nuveen Advisory Corp. and Nuveen Institutional Advisory Corp. were reorganized into Nuveen Asset Management, effective January 1, 2005.

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The dollar range of equity securities beneficially owned by each Board Member in each Fund and all Nuveen funds overseen by the Board Member as of December 31, 2008 is set forth in Appendix A. The number of shares of each Fund beneficially owned by each Board Member and by the Board Members and officers of the Funds as a group as of December 31, 2008 is set forth in Appendix A. On December 31, 2008, Board Members and executive officers as a group beneficially owned approximately 640,000 shares of all funds managed by NAM (including shares held by the Board Members through the Deferred Compensation Plan for Independent Board Members and by executive officers in Nuveen's 401(k)/profit sharing plan). As of June 8, 2009, each Board Member's individual beneficial shareholdings of each Fund constituted less than 1% of the outstanding shares of each Fund. As of June 8, 2009, the Board Members and executive officers as a group beneficially owned less than 1% of the outstanding shares of each Fund. As of June 8, 2009, no shareholder beneficially owned more than 5% of any class of shares of any Fund, except as provided in Appendix B.

Compensation

Effective January 1, 2008, for all funds in the Nuveen complex, Independent Board Members receive a \$100,000 annual retainer plus (a) a fee of \$3,250 per day for attendance in person or by telephone at a regularly scheduled meeting of the Board; (b) a fee of \$2,500 per meeting for attendance in person where such in-person attendance is required and \$1,500 per meeting for attendance by telephone or in person where in-person attendance is not required at a special, non-regularly scheduled board meeting; (c) a fee of \$2,000 per meeting for attendance in person or \$1,500 per meeting for by telephone at an audit committee meeting; (d) a fee of \$2,000 per meeting for attendance at a regularly scheduled compliance, risk management and regulatory oversight committee meeting for regular quarterly meetings and \$1,000 per meeting for attendance of other, non-quarterly meetings; (e) a fee of \$1,000 per meeting for attendance in person or by telephone for a meeting of the dividend committee; and (f) a fee of \$500 per meeting for attendance in person at all other committee meetings, \$1,000 for attendance at shareholder meetings, on a day on which no regularly scheduled board meeting is held in which in-person attendance is required and \$250 per meeting for attendance by telephone or in person at such committee meetings (excluding shareholder meetings) where in-person attendance is not required and \$100 per meeting when the executive committee acts as pricing committee for IPOs, plus, in each case, expenses incurred in attending such meetings. In addition to the payments described above, the Independent Chairman receives \$50,000 annually and the Lead Independent Director, if any, receives \$35,000, the chairpersons of the audit committee, dividend committee and the compliance, risk management and regulatory oversight committee receive \$7,500 and the chairperson of the nominating and governance committee receives \$5,000 as additional retainers to the annual retainer paid to such individuals. Independent Board Members also receive a fee of \$2,500 per day for site visits to entities that provide services to the Nuveen funds on days on which no regularly scheduled board meeting is held. When ad hoc committees are organized, the nominating and governance committee will at the time of formation determine compensation to be paid to the members of such committee, however, in general such fees will be \$1,000 per meeting for attendance in person at any ad hoc committee meeting where in-person attendance is required and \$500 per meeting for attendance by telephone or in person at such meetings where in-person attendance is not required. The annual retainer, fees and expenses are allocated among the funds managed by the Adviser, on the basis of relative net asset sizes although fund management may, in its discretion, establish a minimum amount to be allocated to each fund. The Board Member affiliated with Nuveen and the Adviser serves without any compensation from the Funds.

The boards of certain Nuveen funds (the Participating Funds) established a Deferred Compensation Plan for Independent Board Members (Deferred Compensation Plan). Under the Deferred Compensation Plan, Independent Board Members of the Participating Funds may defer receipt of all, or a portion, of the compensation they earn for their services to the Participating Funds, in lieu of receiving current payments of such compensation. Any deferred amount is treated as though an equivalent dollar amount had been invested in shares of one or more eligible Nuveen funds.

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Aggregate Compensation from the Funds⁽²⁾

Fund	Robert P. Bremner	Jack B. Evans	William C. Hunter	David J. Kundert	William J. Schneider	Judith M. Stockdale	Carole E. Stone	Terence J. Toth
Municipal Value	\$ 5,600	\$ 4,716	\$ 3,133	\$ 3,123	\$ 3,855	\$ 3,983	\$ 4,399	\$ 730
Municipal Income	264	230	197	228	237	200	197	42
Premium Income	4,239	3,664	2,397	2,368	2,926	3,125	3,377	505
Performance Plus	4,100	3,538	2,317	2,293	2,830	3,015	3,259	510
Municipal Advantage	2,982	2,570	1,683	1,667	2,056	2,193	2,366	374
Municipal Market Opportunity	3,114	2,684	1,757	1,740	2,147	2,291	2,471	390
Investment Quality	2,433	2,100	1,374	1,357	1,677	1,795	1,936	287
Select Quality	2,330	2,008	1,315	1,302	1,607	1,714	1,849	292
Quality Income	3,742	3,229	2,115	2,094	2,583	2,752	2,974	467
Premier Municipal	1,320	1,141	746	737	911	973	1,052	156
Premier Insured	1,336	1,151	754	747	921	982	1,059	168
Premium Income 2	2,758	2,383	1,559	1,541	1,903	2,032	2,196	330
Premium Income 4	2,666	2,302	1,507	1,491	1,840	1,962	2,121	328
Dividend Advantage	2,573	2,218	1,452	1,436	1,773	1,894	2,043	316
Dividend Advantage 2	2,001	1,726	1,130	1,118	1,381	1,473	1,589	246
Dividend Advantage 3	2,701	2,332	1,527	1,510	1,864	1,988	2,149	331
Municipal High Income	1,478	1,277	835	827	1,021	1,088	1,176	182
Municipal High Income 2	746	1,552	479	553	575	1,582	479	111
Insured Dividend Advantage	2,044	1,760	1,153	1,142	1,408	1,502	1,620	258
Insured Municipal Opportunity	5,604	4,829	3,162	3,130	3,862	4,124	4,449	693
Insured Premium Income 2	2,291	1,978	1,294	1,280	1,581	1,688	1,821	278
Insured Quality	2,604	2,245	1,470	1,455	1,796	1,916	2,067	323
Insured Tax-Free Advantage	1,241	1,069	700	693	856	913	984	155
Select Maturities	447	389	316	372	391	338	329	192
Select Portfolio	803	673	431	468	511	579	616	304
Select Portfolio 2	828	695	444	481	526	597	636	309
Select Portfolio 3	622	521	334	362	396	448	477	235

Aggregate Compensation from the Funds⁽²⁾

Fund	Robert P. Bremner	Jack B. Evans	William C. Hunter	David J. Kundert	William J. Schneider	Judith M. Stockdale	Carole E. Stone	Terence J. Toth
California Portfolio	300	251	161	174	190	216	230	112
New York Portfolio	185	155	99	107	117	133	142	70
Total Compensation from Nuveen Funds Paid to Board Members/Nominees ⁽¹⁾	\$ 216,138	\$ 189,578	\$ 120,659	\$ 128,240	\$ 140,917	\$ 160,362	\$ 171,750	\$ 28,695

- (1) Based on the total compensation paid, including deferred fees (including the return from the assumed investment in the eligible Nuveen funds), to the Board Members for the calendar year ended December 31, 2008 for services to the Nuveen open-end and closed-end funds advised by NAM.
- (2) Includes deferred fees. Pursuant to a deferred compensation agreement with certain of the Funds, deferred amounts are treated as though an equivalent dollar amount has been invested in shares of one or more eligible Nuveen funds. Total deferred fees for the Funds (including the return from the assumed investment in the eligible Nuveen funds) payable are:

Fund	Robert P. Bremner	Jack B. Evans	William C. Hunter	David J. Kundert	William J. Schneider	Judith M. Stockdale	Carole E. Stone	Terence J. Toth
Municipal Value	593	865	3,133	3,123	3,855	1,029		730
Municipal Income								
Premium Income	447	669	2,397	2,368	2,926	805		505
Performance Plus	434	647	2,317	2,293	2,830	776		510
Municipal Advantage	316	470	1,683	1,667	2,056	565		374
Municipal Market								
Opportunity	329	491	1,757	1,740	2,147	590		390
Investment Quality	257	384	1,374	1,357	1,677	462		287
Select Quality	247	368	1,315	1,302	1,607	441		292
Quality Income	396	591	2,115	2,094	2,583	708		467
Premier Municipal	139	208	746	737	911	251		156
Premier Insured	141	211	754	747	921	253		168
Premium Income 2	291	435	1,559	1,541	1,903	524		330
Premium Income 4	282	421	1,507	1,491	1,840	505		328
Dividend Advantage	272	406	1,452	1,436	1,773	488		316
Dividend Advantage 2	212	316	1,130	1,118	1,381	379		246

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Dividend Advantage 3	285	427	1,527	1,510	1,864	512	331
Municipal High Income	156	234	835	827	1,021	281	182

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Fund	Robert P. Bremner	Jack B. Evans	William C. Hunter	David J. Kundert	William J. Schneider	Judith M. Stockdale	Carole E. Stone	Terence J. Toth
Municipal High Income 2								
Insured Dividend Advantage	216	322	1,153	1,142	1,408	386		258
Insured Municipal Opportunity	593	883	3,162	3,130	3,862	1,062		693
Insured Premium Income 2	242	362	1,294	1,280	1,581	435		278
Insured Quality	275	411	1,470	1,455	1,796	494		323
Insured Tax-Free Advantage	131	196	700	693	856	235		155
Select Maturities								
Select Portfolio	93	127	431	468	511	136		304
Select Portfolio 2	96	131	444	481	526	139		309
Select Portfolio 3	72	98	334	362	396	105		235
California Portfolio	35	47	161	174	190	50		112
New York Portfolio	21	29	99	107	117	31		70

Committees

The Board of each Fund has five standing committees: the executive committee, the audit committee, the nominating and governance committee, the dividend committee and the compliance, risk management and regulatory oversight committee.

John P. Amboian, Robert P. Bremner, Chair, and Judith M. Stockdale serve as current members of the executive committee of each Fund. The executive committee, which meets between regular meetings of the Board, is authorized to exercise all of the powers of the Board; provided that the scope of the powers of the executive committee, unless otherwise specifically authorized by the full Board, is limited to: (i) emergency matters where assembly of the full Board is impracticable (in which case management will take all reasonable steps to quickly notify each individual Board Member of the actions taken by the executive committee) and (ii) matters of an administrative or ministerial nature. The number of executive committee meetings of each Fund held during its last fiscal year is shown in Appendix C.

Jack B. Evans, Chair, Judith M. Stockdale and Terence J. Toth are current members of the dividend committee of each Fund. The dividend committee is authorized to declare distributions on the Fund's shares including, but not limited to, regular and special dividends, capital gains and ordinary income distributions. The number of dividend committee meetings of each Fund held during its last fiscal year is shown in Appendix C.

William C. Hunter, William J. Schneider, Chair, Judith M. Stockdale and Carole E. Stone are current members of the compliance, risk management and regulatory oversight committee of each Fund. The compliance, risk management and regulatory oversight committee is responsible for the oversight of compliance issues, risk management, and other regulatory matters affecting the Funds which are not otherwise the jurisdiction of the other Board committees. The number of compliance, risk management and regulatory oversight committee meetings of each Fund held during its last fiscal year is shown in Appendix C.

Each Fund's Board has an audit committee, in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the 1934 Act), that is composed of Independent Board Members who are also independent as that term is defined in the listing standards pertaining to closed-end funds of the New York Stock Exchange or the NYSE Amex, as applicable. Robert P. Bremner, Jack B. Evans, David J. Kundert, Chair, William J. Schneider and Terence J. Toth are current members of the audit committee of each Fund. The audit committee is responsible for the oversight and monitoring of (1) the accounting and reporting policies, procedures and practices and the audit of the financial statements of the Funds, (2) the quality and integrity of the financial statements of the Funds and (3) the independent registered public accounting firm's qualifications, performance and independence. The audit committee reviews the work and any recommendations of the Funds' independent registered public accounting firm. Based on such review, it is authorized to make recommendations to the Board. The audit committee is also responsible for the oversight of the Pricing Procedures of the Funds and the internal Valuation Group. The Boards have adopted a written Audit Committee Charter that conforms to the listing standards of the New York Stock Exchange or the NYSE Amex, as applicable. A copy of the Audit Committee Charter is attached as Appendix D. The number of audit committee meetings of each Fund held during its last fiscal year is shown in Appendix C.

Each Fund has a nominating and governance committee that is composed entirely of Independent Board Members who are also independent as defined by New York Stock

Exchange or NYSE Amex US listing standards, as applicable. Robert P. Bremner, Chair, Jack B. Evans, William C. Hunter, David J. Kundert, William J. Schneider, Judith M. Stockdale, Carole E. Stone and Terence J. Toth are current members of the nominating and governance committee of each Fund. The purpose of the nominating and governance committee is to seek, identify and recommend to the Board qualified candidates for election or appointment to each Fund's Board. In addition, the committee oversees matters of corporate governance, including the evaluation of Board performance and processes, and assignment and rotation of committee members, and the establishment of corporate governance guidelines and procedures, to the extent necessary or desirable. The committee operates under a written charter adopted and approved by the Boards of each Fund, a copy of which is available on the Funds' website at www.nuveen.com/CEF/Info/Shareholder/. The number of nominating and governance committee meetings of each Fund held during its last fiscal year is shown in Appendix C.

The nominating and governance committee looks to many sources for recommendations of qualified candidates, including current Board Members, employees of the Adviser, current shareholders of the Funds, third party sources and any other persons or entities that may be deemed necessary or desirable by the committee. Shareholders of the Funds who wish to nominate a candidate to their Fund's Board should mail information to the attention of Lorna Ferguson, Manager of Fund Board Relations, Nuveen Investments, 333 West Wacker Drive, Chicago, Illinois 60606. This information must include evidence of Fund ownership of the person or entity recommending the candidate, a full listing of the proposed candidate's education, experience, current employment, date of birth, names and addresses of at least three professional references, information as to whether the candidate is an interested person (as such term is defined in the 1940 Act) in relation to the Fund and such other information that would be helpful to the nominating and governance committee in evaluating the candidate. All satisfactorily completed information regarding candidates will be forwarded to the chairman of the nominating and governance committee and the outside counsel to the Independent Board Members. Recommendations for candidates to the Board will be evaluated in light of whether the number of Board members is expected to change and whether the Board expects any vacancies. All nominations from Fund shareholders will be acknowledged, although there may be times when the committee is not actively recruiting new Board members. In those circumstances nominations will be kept on file until active recruitment is under way.

The nominating and governance committee sets appropriate standards and requirements for nominations to the Board. In considering a candidate's qualifications, each candidate must meet certain basic requirements, including relevant skills and experience, time availability and, if qualifying as an Independent Board Member candidate, independence from the Adviser or other service providers. These experience requirements may vary depending on the current composition of the Board, since the goal is to ensure an appropriate range of skills and experience, in the aggregate. All candidates must meet high expectations of personal integrity, governance experience and professional competence that are assessed on the basis of personal interviews, recommendations, or direct knowledge by committee members. The committee may use any process it deems appropriate for the purpose of evaluating candidates, which process may include, without limitation, personal interviews, background checks, written submissions by the candidates and third party references. There is no difference in the manner in which the nominating and governance committee evaluates candidates when the candidate is submitted by a shareholder. The nominating and governance committee

reserves the right to make the final selection regarding the nomination of any prospective Board member.

The number of regular quarterly meetings and special meetings held by the Board of each Fund during the Fund's last fiscal year is shown in Appendix C. During the last fiscal year, each Board Member attended 75% or more of each Fund's Board meetings and the committee meetings (if a member thereof) held during the period for which such Board Member was a Board Member. The policy of the Board relating to attendance by Board Members at annual meetings of the Funds and the number of Board Members who attended the last annual meeting of shareholders of each Fund is posted on the Funds' website at www.nuveen.com/CEF/Info/Shareholder/.

The Officers

The following table sets forth information with respect to each officer of the Funds. Officers receive no compensation from the Funds. The officers are elected by the Board on an annual basis to serve until successors are elected and qualified.

Name, Address and Birth date	Position(s) Held with Fund	Term of Office and Length of Time Served⁽¹⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Served by Officer
Gifford R. Zimmerman 333 West Wacker Drive Chicago, IL 60606 (9/9/56)	Chief Administrative Officer	Term: Annual Length of Service: Since 1988	Managing Director (since 2002), Assistant Secretary and Associate General Counsel of Nuveen Investments, LLC; Managing Director (since 2002), Assistant Secretary and Associate General Counsel of Nuveen Asset Management; Managing Director (since 2004) and Assistant Secretary (since 1994) of Nuveen Investments, Inc.; Vice President and Assistant Secretary of NWQ Investment Management Company, LLC (since 2002) and Nuveen Investments Advisers Inc. (since 2002); Managing Director, Associate General Counsel and Assistant Secretary of Symphony Asset Management LLC (since 2003); Vice President and Assistant Secretary of Tradewinds Global Investors, LLC and Santa Barbara Asset Management LLC (since 2006), Nuveen HydePark Group, LLC and Nuveen Investment Solutions, Inc. (since 2007); previously, Managing Director (from 2002-2004), General Counsel and Assistant Secretary of Nuveen Advisory Corp. and Nuveen Institutional Advisory Corp. ⁽²⁾ ; Chartered Financial Analyst.	200

Williams Adams IV 333 West Wacker Drive Chicago, IL 60606 (6/9/55)	Vice President	Term: Annual Length of Service: Since 2007	Executive Vice President, U.S. Structured Products of Nuveen Investments, LLC (since 1999), prior thereto, Managing Director of Structured Investments.	125
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Name, Address and Birth date	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Served by Officer
Mark J.P. Anson 333 West Wacker Drive Chicago, IL 60606 (6/10/59)	Vice President	Term: Annual Length of Service: Since 2009	President and Executive Director of Nuveen Investments, Inc. (since 2007); President of Nuveen Investments Institutional Services Group LLC (since 2007); previously, Chief Executive Officer of British Telecom Pension Scheme (2006-2007); Chief Investment Officer of Calpers (1999-2006); PhD, Chartered Financial Analyst, Chartered Alternative Investment Analyst, Certified Public Accountant, Certified Management Accountant and Certified Internal Auditor.	200
Cedric H. Antosiewicz 333 West Wacker Drive Chicago, IL 60606 (1/11/62)	Vice President	Term: Annual Length of Service: Since 2007	Managing Director (since 2004), previously, Vice President (1993-2004) of Nuveen Investments LLC.	125
Nizida Arriaga 333 West Wacker Drive Chicago, IL 60606 (6/1/68)	Vice President	Term: Annual Length of Service: Since 2009	Vice President of Nuveen Investments, LLC (since 2007); previously, portfolio Manager, Allstate Investments, LLC (1996-2006); Chartered Financial Analyst.	200
Michael T. Atkinson 333 West Wacker Drive Chicago, IL 60606 (2/3/66)	Vice President and Assistant Secretary	Term: Annual Length of Service: Since 2002	Vice President (since 2002) of Nuveen Investments, LLC; Vice President of Nuveen Asset Management (since 2005).	200
Margo L. Cook 333 West Wacker Drive	Vice President	Term: Annual Length of	Executive Vice President (since 2008) of Nuveen Investments, Inc.;	200

Chicago, IL 60606 (4/11/64)	Service: Since 2009	previously, Head of Institutional Asset Management (2007-2008) of Bear Stearns Asset Management; Head of Institutional Asset Mgt. (1986-2007) of Bank of NY Mellon; Chartered Financial Analyst.	
Stephen D. Foy 333 West Wacker Drive Chicago, IL 60606 (5/31/54)	Vice President and Controller	Term: Annual Length of Service: Since 1993	Vice President (since 1993) and Funds Controller (since 1998) of Nuveen Investments, LLC; Vice President (since 2005) of Nuveen Asset Management; Certified Public Accountant. 200

Name, Address and Birth date	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Served by Officer
William T. Huffman 333 West Wacker Drive Chicago, IL 60606 (5/7/69)	Vice President	Term: Annual Length of Service: Since 2009	Chief Operating Officer, Municipal Fixed Income (since 2008) of Nuveen Asset Management; previously, Chairman, President and Chief Executive Officer (2002-2007) of Northern Trust Global Advisors, Inc. and Chief Executive Officer (2007) of Northern Trust Global Investments Limited; Certified Public Accountant.	200
Walter M. Kelly 333 West Wacker Drive Chicago, IL 60606 (2/24/70)	Chief Compliance Officer and Vice President	Term: Annual Length of Service: Since 2003	Senior Vice President (since 2008) formerly, Vice President (2006-2008), formerly, Assistant Vice President and Assistant General Counsel of Nuveen Investments, LLC; Senior Vice President (since 2008), formerly, Vice President (2006-2008), and Assistant Secretary (since 2003) of Nuveen Asset Management; formerly, Assistant Vice President and Assistant Secretary of the Nuveen Funds (2003-2006).	200
David J. Lamb 333 West Wacker Drive Chicago, IL 60606 (3/22/63)	Vice President	Term: Annual Length of Service: Since 2000	Senior Vice President (since 2009), formerly, Vice President (2000-2009) of Nuveen Investments, LLC; Vice President of Nuveen Asset Management (since 2005); Certified Public Accountant.	200
Tina M. Lazar 333 West Wacker Drive Chicago, IL 60606 (8/27/61)	Vice President	Term: Annual Length of Service: Since 2002	Senior Vice President (since 2009), formerly, Vice President (1999-2009) of Nuveen Investments, LLC; Vice President of Nuveen	200

Name, Address and Birth date	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Served by Officer
Larry W. Martin 333 West Wacker Drive Chicago, IL 60606 (7/27/51)	Vice President and Assistant Secretary	Term: Annual Length of Service: Since 1988	Vice President, Assistant Secretary and Assistant General Counsel of Nuveen Investments, LLC; Vice President, Assistant General Counsel and Assistant Secretary of Nuveen Investments, Inc.; Vice President (since 2005) and Assistant Secretary (since 1997) of Nuveen Asset Management; Vice President and Assistant Secretary of Nuveen Investments Advisers Inc. (since 2002); NWQ Investment Management Company, LLC (since 2002), Symphony Asset Management LLC (since 2003), Tradewinds Global Investors, LLC and Santa Barbara Asset Management LLC (since 2006), Nuveen Hyde Park Group, LLC and Nuveen Investment Solutions, Inc. (since 2007); formerly, Vice President and Assistant Secretary of Nuveen Advisory Corp. and Nuveen Institutional Advisory Corp. ⁽²⁾	200
Kevin J. McCarthy 333 West Wacker Drive Chicago, IL 60606 (3/26/66)	Vice President and Secretary	Term: Annual Length of Service: Since 2007	Managing Director (since 2008), formerly Vice President (2007-2008), Nuveen Investments, LLC; Managing Director (since 2008), formerly Vice President (2007-2008) and Assistant Secretary (since 2007), Nuveen Asset Management, Nuveen Investments Advisers Inc., Nuveen Investment Institutional Services Group LLC, NWQ Investment Management Company, LLC, Tradewinds Global Investors, LLC, NWQ Holdings,	200

LLC, Symphony Asset Management
LLC, Santa Barbara Asset
Management, LLC, Nuveen
HydePark Group, LLC and Nuveen
Investment Solutions, Inc.; prior
thereto, Partner, Bell, Boyd & Lloyd
LLP (1997-2007).

Name, Address and Birth date	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Served by Officer
John V. Miller 333 West Wacker Drive Chicago, IL 60606 (4/10/67)	Vice President	Term: Annual Length of Service: Since 2007	Managing Director (since 2007), formerly, Vice President (2002-2007) of Nuveen Asset Management and Nuveen Investments, LLC; Chartered Financial Analyst.	200
Gregory Mino 333 West Wacker Drive Chicago, IL 60606 (1/4/71)	Vice President	Term: Annual Length of Service: Since 2009	Vice President of Nuveen Investments, LLC (since 2008); previously, Director (2004-2007) and Executive Director (2007-2008) of UBS Global Asset Management; previously, Vice President (2000-2003) and Director (2003-2004) of Merrill Lynch Investment Managers; Chartered Financial Analyst.	200
Christopher M. Rohrbacher 333 West Wacker Drive Chicago, IL 60606 (8/1/71)	Vice President and Assistant Secretary	Term: Annual Length of Service: Since 2008	Vice President and Assistant Secretary of Nuveen Investments, LLC (since 2008); Vice President and Assistant Secretary of Nuveen Asset Management (since 2008); prior thereto, Associate, Skadden, Arps, Slate Meagher & Flom LLP (2002-2008).	200
James F. Ruane 333 West Wacker Drive Chicago, IL 60606 (7/3/62)	Vice President and Assistant Secretary	Term: Annual Length of Service: Since 2007	Vice President, Nuveen Investments (since 2007); prior thereto, Partner, Deloitte & Touche USA LLP (2005-2007), formerly, senior tax manager (2002-2005); Certified Public Accountant.	200

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Mark L. Winget 333 West Wacker Drive Chicago, IL 60606 (12/21/68)	Vice President and Assistant Secretary	Term: Annual Length of Service: Since 2008	Vice President, Nuveen Investments, LLC (since 2008); Vice President and Assistant Secretary, Nuveen Asset Management (since 2008); prior thereto, Counsel, Vedder Price P.C. (1997-2007).
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(1) Length of Time Served indicates the year the individual became an officer of a fund in the Nuveen fund complex.

(2) Nuveen Advisory Corp. and Nuveen Institutional Advisory Corp. were reorganized into Nuveen Asset Management, effective January 1, 2005.

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2. Approval of the Elimination of Fundamental Investment Policies and Approval of New Fundamental Policies for Premium Income, Performance Plus, Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2, Municipal Advantage, Municipal Market Opportunity, Investment Quality, Select Quality, Quality Income, Premier Municipal, Premium Income 2, Premium Income 4, Dividend Advantage, Dividend Advantage 2, Dividend Advantage 3 and Municipal High Income (Affected Municipal Funds)

The Affected Municipal Funds have adopted certain fundamental investment policies relating to (i) investments in municipal securities and below investment grade securities, (ii) investments in other investment companies and/or (iii) investments in derivatives, short sales and commodities as described below (together, the Current Fundamental Policies, and each, a Current Fundamental Policy), that can only be changed by shareholder vote. The Current Fundamental Policies adopted by the Affected Municipal Funds reflected industry and other market conditions present at the time of the inception of each Fund.

Nuveen's municipal closed-end funds are seeking to adopt a uniform, up to date set of investment policies (the New Investment Policies). In general, the funds currently have a somewhat diverse set of policies, reflecting when the funds were launched over the past 20 years as well as developments over time in the municipal market, including new types of securities as well as investment strategies. The potential benefits of the New Investment Policies to you as a Fund shareholder are:

enhanced ability of the Affected Municipal Funds to generate attractive levels of tax-exempt income, while retaining the Affected Municipal Funds' orientation on investment grade quality municipal securities;

increased flexibility in diversifying portfolio risks and managing duration (the sensitivity of bond prices to interest rate changes) to pursue the preservation and possible growth of capital, which, if successful, will help to sustain and build common shareholder net asset value and asset coverage levels for preferred shares; and

improved secondary market competitiveness which may benefit common shareholders through higher relative market price and/or stronger premium/discount performance.

In order to implement the New Investment Policies, each Affected Municipal Fund must make certain changes to its existing policies, including certain fundamental policies that require your vote of approval. In some cases, this may require your separate votes to approve the elimination of a Current Fundamental Policy as well as the implementation of a new, replacement fundamental policy (together, the New Fundamental Policies and each, a New Fundamental Policy). Because each Affected Municipal Fund tends to be situated somewhat differently, the specific changes required to implement the New Investment Policies often vary from fund to fund.

The primary purposes of these changes are to provide the Affected Municipal Funds with increased investment flexibility and to create consistent investment policies for all Nuveen municipal bond funds to promote operational efficiencies. Implementation of the New

Fundamental Policies is contingent on shareholder approval of the elimination of the Current Fundamental Policies.

The Board has unanimously approved, and unanimously recommends the approval by shareholders of each Affected Municipal Fund, the elimination of the Current Fundamental Policies of the Affected Municipal Funds. In connection with eliminating the Current Fundamental Policies, the Board unanimously approved, and unanimously recommends the approval by shareholders of each Affected Municipal Fund of, the New Fundamental Policies, described below. In addition, the Board has approved certain new non-fundamental policies, described below (the New Non-Fundamental Policies).

(a) Elimination of Fundamental Policies Relating to Investments in Municipal Securities and Below Investment Grade Securities (All Affected Municipal Funds except Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2)

The Current Fundamental Policies with respect to each Affected Municipal Fund's investments in municipal securities and the ability to invest in below investment grade securities that are proposed to be eliminated are as follows:

Premium Income, Performance Plus, Municipal Advantage, Municipal Market Opportunity, Investment Quality, Select Quality, Quality Income, Premier Municipal, Premium Income 2 and Premium Income 4

(i) Except to the extent that the Fund buys temporary investments, the Fund will, as a fundamental policy, invest substantially all of its assets (more than 80%) in tax-exempt municipal bonds that are rated at the time of purchase within the four highest grades (Baa or BBB or better) by Moody's or Standard & Poor's, except that the Fund may invest up to 20% of its assets in unrated municipal bonds which, in Nuveen Advisory's opinion, have credit characteristics equivalent to, and are of comparable quality to, municipal bonds so rated. The Fund will not invest in any rated municipal bonds that are rated lower than Baa by Moody's or BBB by Standard & Poor's at the time of purchase.

Dividend Advantage

(i) The Fund will invest its net assets in a diversified portfolio of municipal bonds that are exempt from regular Federal income tax. Under normal market conditions, and except for the temporary investments described below, the Fund expects to be fully invested (at least 95% of its assets) in such tax-exempt municipal bonds.

(ii) The Fund will invest at least 80% of its net assets in investment grade quality municipal bonds rated as such at the time of investment. Investment grade quality means that such bonds are rated within the four highest grades (Baa or BBB or better) by Moody's, S&P or Fitch or are unrated but judged to be of comparable quality by Nuveen Advisory.

(iii) The Fund may invest up to 20% of its net assets in municipal bonds that are, at the time of investment, rated Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by Nuveen Advisory.

Dividend Advantage 2 and Dividend Advantage 3

(i) Under normal market conditions, the Fund will invest its net assets in a portfolio of municipal bonds that are exempt from regular federal income taxes. Under normal market conditions, the Fund expects to be fully invested (at least 95% of its assets) in such tax-exempt municipal bonds.

Municipal High Income

(i) Under normal circumstances, the Fund may not invest less than 80% of the Fund's net assets (plus any borrowings for investment purposes) in investments the income from which is exempt from regular federal income tax.

(b) Approval of New Fundamental Policy Relating to Investments in Municipal Securities (All Affected Municipal Funds except Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2)

The following New Fundamental Policy will replace each Affected Municipal Fund's Current Fundamental Policy or Policies referenced in 2(a) above. Implementation of the following New Fundamental Policy by each Affected Municipal Fund is contingent on shareholder approval of the elimination of each Affected Municipal Fund's Current Fundamental Policy or Policies. The proposed New Fundamental Policy with respect to each Fund's investments in municipal securities is as follows:

(i) Under normal circumstances, the Fund will invest at least 80% of its net assets, including assets attributable to any principal amount of any borrowings (including the issuance of commercial paper or notes) or any preferred shares outstanding (Managed Assets) in municipal securities and other related investments, the income from which is exempt from regular federal income tax.

In addition, the Board has adopted New Non-Fundamental Policies with respect to investing in investment grade securities for each Affected Municipal Fund except Municipal High Income, which will be implemented upon the elimination of the Current Fundamental Policies described in 2(a) above. The New Non-Fundamental Policies relating to investing in investment grade securities are as follows:

(i) Under normal circumstances, the Fund will invest at least 80% of its Managed Assets in investment grade securities that, at the time of investment, are rated within the four highest grades (Baa or BBB or better) by at least one nationally recognized statistical rating organization or are unrated but judged to be of comparable quality by the Fund's investment adviser (NAM).

(ii) The Fund may invest up to 20% of its Managed Assets in municipal securities that at the time of investment are rated below investment grade or are unrated but judged to be of comparable quality by NAM.

(iii) No more than 10% of the Fund's Managed Assets may be invested in municipal securities rated below B3/B- or that are unrated but judged to be of comparable quality by NAM.

Related to these changes, the Board of each Affected Municipal Fund has also amended and standardized the description of municipal securities or municipal obligations in which an

Affected Municipal Fund may invest to include various types of municipal securities. The new description, tailored as appropriate to each Affected Municipal Fund, generally provides:

The Fund may invest in various municipal securities, including municipal bonds and notes, other securities issued to finance and refinance public projects, and other related securities and derivative instruments creating exposure to municipal bonds, notes and securities that provide for the payment of interest income that is exempt from federal income tax (Municipal Obligations). Municipal Obligations are generally debt obligations issued by state and local governmental entities and may be issued by U.S. territories to finance or refinance public projects such as roads, schools, and water supply systems. Municipal Obligations may also be issued for private activities, such as housing, medical and educational facility construction, or for privately owned transportation, electric utility and pollution control projects. Municipal Obligations may be issued on a long term basis to provide permanent financing. The repayment of such debt may be secured generally by a pledge of the full faith and credit taxing power of the issuer, a limited or special tax, or any other revenue source including project revenues, which may include tolls, fees and other user charges, lease payments, and mortgage payments. Municipal Obligations may also be issued to finance projects on a short term interim basis, anticipating repayment with the proceeds on long term debt. Municipal Obligations may be issued and purchased in the form of bonds, notes, leases or certificates of participation; structured as callable or non-callable; with payment forms including fixed coupon, variable rate, zero coupon, capital appreciation bonds, tender option bonds, and residual interest bonds or inverse floating rate securities; or acquired through investments in pooled vehicles, partnerships or other investment companies. Inverse floating rate securities are securities that pay interest at rates that vary inversely with changes in prevailing short-term tax-exempt interest rates and represent a leveraged investment in an underlying municipal security, which may increase the effective leverage of the Fund.

(c) Elimination of the Fundamental Policy Relating to Investing in Other Investment Companies (Premium Income, Performance Plus, Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2, Municipal Advantage, Municipal Market Opportunity, Investment Quality, Select Quality, Quality Income, Premier Municipal, Premium Income 2 and Premium Income 4)

The Affected Municipal Funds listed above do not have specific restrictions as to investments in other investment companies. However, each such Affected Municipal Fund has an investment policy which only permits investment in municipal obligations and temporary investments and thereby prohibits investment in other investment companies. The general restriction that only permits investment in municipal obligations and temporary investments is as follows:

(i) The Fund may not invest in securities other than Municipal Obligations and temporary investments as described under Investment Objectives and Policies Portfolio Investments. *

In addition, with respect to each Fund's ability to invest in other investment companies, the Board has adopted a New Non-Fundamental Policy to be implemented upon the elimination of that Affected Municipal Fund's Current Fundamental Policy relating to investments in other

* References are to a Fund's registration statement.

investment companies. The proposed New Non-Fundamental Policy relating to investments in other investment companies is as follows:

(i) The Fund may invest up to 10% of its Managed Assets in securities of other open- or closed-end investment companies (including exchange-traded funds (often referred to as ETFs)) that invest primarily in municipal securities of the types in which the Fund may invest directly.

(d) Elimination of Fundamental Policy Relating to Commodities (Premium Income, Performance Plus, Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2, Municipal Advantage, Municipal Market Opportunity, Investment Quality, Select Quality, Quality Income, Premier Municipal, Premium Income 2 and Premium Income 4)

The Current Fundamental Policy with respect to investment in commodities for each Affected Municipal Fund named above that is proposed to be eliminated is as follows:

(i) The Fund, as a fundamental policy, may not purchase or sell commodities or commodities contracts, except for transactions involving futures contracts within the limits described under Certain Trading Strategies of the Fund Financial Futures and Options Transactions. *

(e) Approval of New Fundamental Policy Relating to Commodities (Premium Income, Performance Plus, Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2, Municipal Advantage, Municipal Market Opportunity, Investment Quality, Select Quality, Quality Income, Premier Municipal, Premium Income 2 and Premium Income 4)

It is proposed that each named Affected Municipal Fund adopt a New Fundamental Policy with respect to commodities. The adoption of the following New Fundamental Policy for each Affected Municipal Funds is contingent on shareholder approval of the elimination of that Affected Municipal Fund's Current Fundamental Policy with respect to commodities, as reflected in 2(d) above. The proposed New Fundamental Policy is as follows:

(i) The Fund may not purchase or sell physical commodities unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the Fund from purchasing or selling options, futures contracts or derivative instruments or from investing in securities or other instruments backed by physical commodities).

(f) Elimination of Fundamental Policies Relating to Derivatives and Short Sales

The Current Fundamental Policies relating to derivatives and short sales that are proposed to be eliminated are as follows:

Premium Income

(i) The Fund may not make short sales of securities or purchase any securities on margin (except for such short-term credits as are necessary for the clearance of transactions), or write or purchase put or call options, except for transactions involving options within the limits described under Certain Trading Strategies of the Fund Financial Futures and Options Transactions. *

* References are to a Fund's registration statement.

(ii) The Fund may not purchase financial futures and options except within the limits described in Certain Trading Strategies of the Fund Financial Futures and Options Transactions. *

Performance Plus, Insured Quality, Insured Municipal Opportunity, Premier Insured, Insured Premium Income 2, Municipal Advantage, Municipal Market Opportunity, Investment Quality, Select Quality, Quality Income, Premier Municipal, Premium Income 2 and Premium Income 4

(i) The Fund may not make short sales of securities or purchase any securities on margin (except for such short-term credits as are necessary for the clearance of transactions), or write or purchase put or call options, except to the extent that the purchase of a standby commitment may be considered the purchase of a put, and except for transactions involving options within the limits described under Certain Trading Strategies of the Fund Financial Futures and Options Transactions. *

(ii) The Fund may not purchase financial futures and options except within the limits described in Certain Trading Strategies of the Fund Financial Futures and Options Transactions. *

In connection with the elimination of the Current Fundamental Policies relating to derivatives and short sales, as reflected in 2(f) above, the Board has adopted the following New Non-Fundamental Policies for each named Affected Municipal Fund. The New Non-Fundamental Policies are contingent on shareholder approval of the elimination of that Affected Municipal Fund's Current Fundamental Policies with respect to derivatives and short sales. The New Non-Fundamental Policies are as follows:

(i) The Fund may invest in derivative instruments in pursuit of its investment objectives. Such instruments include financial futures contracts, swap contracts (including interest rate and credit default swaps), options on financial futures, options on swap contracts, or other derivative instruments. NAM uses derivatives to seek to enhance return, to hedge some of the risks of its investments in fixed income securities or as a substitute for a position in the underlying asset.

(ii) The Fund may not sell securities short, unless the Fund owns or has the right to obtain securities equivalent in kind and amount to the securities sold at no added cost, and provided that transactions in options, futures contracts, options on futures contracts, or other derivative instruments are not deemed to constitute selling securities short.

(iii) The Fund may not enter into futures contracts or related options or forward contracts, if more than 30% of the Fund's net assets would be represented by futures contracts or more than 5% of the Fund's net assets would be committed to initial margin deposits and premiums on futures contracts and related options.

Board Recommendation

The Board believes that eliminating the Current Fundamental Policies and adopting the New Investment Policies gives the Adviser flexibility to rapidly respond to continuing developments in the municipal market and would enhance the portfolio managers' ability to meet each

* References are to a Fund's registration statement.

Affected Municipal Fund's investment objective. In addition, the Board believes that the proposed changes will create consistent investment policies for all Nuveen municipal bond funds and will help to promote operational efficiencies.

The Board recommends that shareholders of each Affected Municipal Fund vote to approve the elimination of each Current Fundamental Policy and vote to approve each New Fundamental Policy.

3. Approval of the Elimination of Fundamental Investment Policies and Approval of the New Fundamental Policy for Insured Municipal Opportunity, Insured Quality and Insured Dividend Advantage (Affected Insured Funds)

The Affected Insured Funds have adopted certain fundamental investment policies, as described below (together, Fundamental Policies, each a Fundamental Policy), that can only be changed by shareholder vote. The Fundamental Policies adopted by the Affected Insured Funds reflected industry conditions present in the municipal bond market at the time of the inception of these Funds.

Since that time, however, deterioration in the credit quality of securities backed by sub-prime residential mortgages has disrupted many markets and companies, including bond insurers, who in addition to insuring municipal bonds, have also provided guarantees on these mortgage-related securities. As a result, the financial strength ratings of certain municipal bond insurers have come under greater scrutiny. The ratings assigned to some municipal bond insurers either have been downgraded or are being reviewed for possible downgrades by certain of the primary ratings agencies.

As a result of these conditions facing the bond insurance market, the Board unanimously approved, and unanimously recommends the approval by each Affected Insured Fund's shareholders of the elimination of certain Fundamental Policies of the Affected Insured Funds that are restricting, or may be expected in the future to restrict, each Fund's ability to effectively make investments. In connection with eliminating the Fundamental Policies, the Board unanimously approved, and unanimously recommends the approval by shareholders of a new fundamental policy, described below (the New Fundamental Policy). The elimination of each Fundamental Policy described below is contingent on shareholder approval of the New Fundamental Policy. In addition, the Board has approved new non-fundamental policies, described below (the New Non-Fundamental Policies) and together with the New Fundamental Policy, the New Policies). The New Policies are designed to provide portfolio managers with important flexibility to respond to on-going developments in the bond insurance market, while ensuring the Affected Insured Funds continue to invest substantially all (at least 80%) of their investments in insured bonds backed by insurers with solid credit ratings.

(a) Elimination of Fundamental Policies Relating to Tax-Exempt Securities

The Fundamental Policy or Policies of each Affected Insured Fund that are proposed to be eliminated are as follows:

Insured Municipal Opportunity

(i) Except to the extent that the Fund buys temporary investments, the Fund will invest substantially all of its assets in tax-exempt municipal bonds that either are covered by insurance guaranteeing the timely payment of principal and interest on the bonds, or are backed by an escrow or trust account containing sufficient U.S. Government or U.S. Government agency securities to ensure timely payment of principal and interest. Uninsured municipal bonds backed by an escrow or trust account will not constitute more than 20% of the Fund's assets.

Insured Quality

(i) Except to the extent that the Fund buys temporary investments as described below, the Fund will invest all of its assets in tax-exempt municipal bonds that are either covered by insurance guaranteeing the timely payment of principal and interest on the bonds or are backed by an escrow or trust account containing sufficient U.S. Government or U.S. Government agency securities to ensure timely payment of principal and interest.

(ii) Uninsured municipal bonds backed by an escrow or trust account will not constitute more than 20% of the Fund's assets.

Insured Dividend Advantage

(i) Under normal market conditions, the Fund will invest at least 80% of its net assets in a portfolio of municipal bonds that are exempt from regular federal income taxes and that are covered by insurance guaranteeing the timely payment of principal and interest thereon.

(b) Approval of the New Fundamental Policy Relating to Tax-Exempt Securities (All Affected Insured Funds)

In connection with eliminating the Fundamental Policies, the Board of each Affected Insured Fund has unanimously approved, and recommends that shareholders of each Affected Insured Fund approve, a New Fundamental Policy relating to each Affected Insured Fund's policy of investing 80% (or greater) of its assets in a portfolio of tax-exempt securities. The New Fundamental Policy will replace each Affected Insured Fund's Fundamental Policy (i), as described above. Implementation of the New Fundamental Policy is contingent on shareholder approval of the elimination of Fundamental Policy (i) for each Affected Insured Fund. The New Fundamental Policy is as follows:

(i) Under normal circumstances, the Fund will invest at least 80% of its net assets, including assets attributable to any principal amount of any borrowings (including the issuance of commercial paper or notes) or preferred shares outstanding (Managed Assets), in a portfolio of securities that pay interest exempt from federal income tax (municipal securities).

New Non-Fundamental Policies

In connection with eliminating the Fundamental Policies, the Board of each Affected Insured Fund has also adopted New Non-Fundamental Policies, as described below. To the extent that the New Non-Fundamental Policies conflict with the existing Fundamental Policies, implementation of the New Non-Fundamental Policies is contingent on shareholder approval of the elimination of the Fundamental Policies. To the extent such Non-Fundamental Policies do not conflict with the existing Fundamental Policies, the New Non-Fundamental Policies have already been implemented. By eliminating the Fundamental Policies and adopting the New Non-Fundamental Policies, each Affected Insured Fund would be able to change these policies in the future with the approval of the Board, without the need to obtain prior shareholder approval. However, each Affected Insured Fund's New Non-Fundamental Policy that it will invest at least 80% of its Managed Assets in a portfolio of securities that are covered by insurance may only be changed by such Fund's Board following the provision of 60 days' prior written notice to shareholders.

The New Non-Fundamental Policies that the Board of each Affected Insured Fund has adopted are as follows:

- (i) Under normal circumstances, the Fund will invest at least 80% of its net assets, including assets attributable to any principal amount of any borrowings (including the issuance of commercial paper or notes) or preferred shares outstanding (Managed Assets), in a portfolio of securities that are covered by insurance guaranteeing the timely payment of principal and interest thereon. Inverse floaters whose underlying bonds are covered by insurance guaranteeing the timely payment of principal and interest thereon are included in the above-referenced 80% test. In addition, for the 80% test above, insurers must have a claims-paying ability rated at least A by a nationally recognized statistical rating organization (NRSRO) at the time of purchase or at the time the bond is insured while in the portfolio.
- (ii) Under normal circumstances, the Fund will invest at least 80% of its Managed Assets in municipal securities covered by insurance from insurers with a claims-paying ability rated AA or better by an NRSRO at the time of purchase; municipal securities rated AA or better by an NRSRO, or that are unrated but judged to be of comparable quality by the Fund's investment adviser, at the time of purchase; or municipal bonds backed by an escrow or trust account containing sufficient U.S. Government or U.S. Government agency securities to ensure timely payment of principal and interest.
- (iii) Under normal circumstances, the Fund may invest up to 20% of its Managed Assets in municipal securities covered by insurance from insurers with a claims-paying ability rated BBB or better by an NRSRO; or municipal securities rated at least BBB or better by an NRSRO, or that are unrated but judged to be of comparable quality by the Fund's investment adviser, at the time of purchase.

Board Recommendation

The Board believes that eliminating the Fundamental Policies and adopting the New Policies gives the Adviser flexibility to rapidly respond to continuing developments in the bond insurance market and would enhance the portfolio managers' ability to meet each Affected Insured Fund's investment objective and keep each Fund fully invested. While the Board believes that the New Policies give the Adviser adequate flexibility under current market conditions, if the market

changes in the future, the Affected Insured Funds may desire to refine these parameters further and the Board may change the New Non-Fundamental Policies without shareholder approval.

The Board of Trustees recommends that shareholders of each Affected Insured Fund vote to approve the elimination of each Fundamental Policy and vote to approve the New Fundamental Policy.

Audit Committee Report

The audit committee of each Board is responsible for the oversight and monitoring of (1) the accounting and reporting policies, processes and practices, and the audit of the financial statements, of each Fund, (2) the quality and integrity of the Funds' financial statements and (3) the independent registered public accounting firm's qualifications, performance and independence. In its oversight capacity, the committee reviews each Fund's annual financial statements with both management and the independent registered public accounting firm and the committee meets periodically with the independent registered public accounting firm and internal auditors to consider their evaluation of each Fund's financial and internal controls. The committee also selects, retains, evaluates and may replace each Fund's independent registered public accounting firm. The committee is currently composed of five Independent Board Members and operates under a written charter adopted and approved by each Board. Each committee member meets the independence and experience requirements, as applicable, of the New York Stock Exchange, NYSE Amex, Section 10A of the 1934 Act and the rules and regulations of the SEC.

The committee, in discharging its duties, has met with and held discussions with management and each Fund's independent registered public accounting firm. The committee has also reviewed and discussed the audited financial statements with management. Management has represented to the independent registered public accounting firm that each Fund's financial statements were prepared in accordance with generally accepted accounting principles. The committee has also discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards (SAS) No. 61 (Communication with Audit Committees), as amended by SAS No. 90 (Audit Committee Communications). Each Fund's independent registered public accounting firm provided to the committee the written disclosure required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), and the committee discussed with representatives of the independent registered public accounting firm their firm's independence. As provided in the Audit Committee Charter, it is not the committee's responsibility to determine, and the considerations and discussions referenced above do not ensure, that each Fund's financial statements are complete and accurate and presented in accordance with generally accepted accounting principles.

Based on the committee's review and discussions with management and the independent registered public accounting firm, the representations of management and the report of the independent registered public accounting firm to the committee, the committee has recommended that the Boards include the audited financial statements in each Fund's Annual Report.

The current members of the committee are:

Robert P. Bremner
Jack B. Evans
David J. Kundert
William J. Schneider
Terence J. Toth

Audit and Related Fees. The following tables provide the aggregate fees billed during each Fund's last two fiscal years by each Fund's independent registered public accounting firm for engagements directly related to the operations and financial reporting of each Fund including those relating (i) to each Fund for services provided to the Fund and (ii) to the Adviser and certain entities controlling, controlled by, or under common control with the Adviser that provide ongoing services to each Fund ("Adviser Entities").

	Audit Fees		Audit Related Fees				Tax Fees				All Other Fees			
	Fund ⁽¹⁾		Fund ⁽²⁾		Adviser and Adviser Entities		Fund ⁽³⁾		Adviser and Adviser Entities		Fund ⁽⁴⁾		Adviser and Adviser Entities	
	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008
Capital Value	\$ 59,156	\$ 66,542	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Capital Income	8,701	9,826	0	0	0	0	500	0	0	0	0	0	0	0
Income	45,546	51,660	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Income Plus	43,427	49,362	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Capital Advantage	33,523	37,760	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Capital Market														
Community	34,515	39,058	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Investment Quality	28,799	32,696	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Quality	27,449	31,050	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Income	39,998	45,477	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Income Municipal	18,733	21,103	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Income Insured	18,333	20,909	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Income 2	31,970	36,045	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Income 4	30,631	34,818	0	0	0	0	500	0	0	0	2,350	3,350	0	0
Capital Advantage	29,926	33,791	0	0	0	0	500	0	0	0	750	850	0	0
Capital Advantage 2	24,449	27,704	0	0	0	0	500	0	0	0	750	850	0	0
Capital Advantage 3	30,797	35,039	0	0	0	0	500	0	0	0	750	850	0	0
Capital High														
	20,241	22,537	0	0	0	0	500	0	0	0	750	800	0	0

- (1) Audit Fees are the aggregate fees billed for professional services for the audit of the Fund's annual financial statements and services provided in connection with statutory and regulatory filings or engagements.
- (2) Audit Related Fees are the aggregate fees billed for assurance and related services reasonably related to the performance of audit or review of financial statements and are not reported under Audit Fees.
- (3) Tax Fees are the aggregate fees billed for professional services for tax advice, tax compliance and tax planning.
- (4)

All Other Fees are the aggregate fees billed for products and services for agreed-upon procedures engagements for the leveraged Funds.

	Audit Fees		Audit Related Fees				Tax Fees				All Other Fees		A
	Fund ⁽¹⁾		Fund ⁽²⁾		Adviser and Adviser Entities		Fund ⁽³⁾		Adviser and Adviser Entities		Fund ⁽⁴⁾		
	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008	Fiscal Year Ended 2007	Fiscal Year Ended 2008	
Advantage	\$ 24,467	\$ 27,987	\$0	\$ 0	\$0	\$ 0	\$ 500	\$ 0	\$0	\$ 0	\$ 750	\$ 850	
1 Opportunity	56,946	65,037	0	0	0	0	500	0	0	0	2,350	3,350	
Income 2	27,178	31,007	0	0	0	0	500	0	0	0	750	850	
	30,015	34,177	0	0	0	0	500	0	0	0	2,350	3,350	
Advantage	17,375	19,883	0	0	0	0	500	0	0	0	750	850	
Income 2 ⁽⁵⁾	N/A	14,110	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	N

- (1) Audit Fees are the aggregate fees billed for professional services for the audit of the Fund's annual financial statements and services provided in connection with statutory and regulatory filings or engagements.
- (2) Audit Related Fees are the aggregate fees billed for assurance and related services reasonably related to the performance of audit or review of financial statements and are not reported under Audit Fees.
- (3) Tax Fees are the aggregate fees billed for professional services for tax advice, tax compliance and tax planning.
- (4) All Other Fees are the aggregate fees billed for products and services for agreed-upon procedures engagements for the leveraged Funds.
- (5) The Fund commenced operations on November 16, 2007.

	Audit Fees		Audit Related Fees				Tax Fees				All Other Fees			
	Fund ⁽¹⁾		Fund ⁽²⁾		Adviser and Adviser Entities		Fund ⁽³⁾		Adviser and Adviser Entities		Fund ⁽⁴⁾		Adviser and Adviser Entities	
	Fiscal Year Ended 2008	Fiscal Year Ended 2009	Fiscal Year Ended 2008	Fiscal Year Ended 2009	Fiscal Year Ended 2008	Fiscal Year Ended 2009	Fiscal Year Ended 2008	Fiscal Year Ended 2009	Fiscal Year Ended 2008	Fiscal Year Ended 2009	Fiscal Year Ended 2008	Fiscal Year Ended 2009	Fiscal Year Ended 2008	Fiscal Year Ended 2009
lect Maturities	\$ 11,018	\$ 11,418	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
lect Portfolio	14,420	15,019	0	0	0	0	500	0	0	0	0	0	0	0
lect Portfolio 2	14,860	15,079	0	0	0	0	500	0	0	0	0	0	0	0
lect Portfolio 3	12,810	13,336	0	0	0	0	500	0	0	0	0	0	0	0
lifornia Portfolio	9,948	10,127	0	0	0	0	500	0	0	0	0	0	0	0
w York Portfolio	8,881	9,027	0	0	0	0	500	0	0	0	0	0	0	0

- (1) Audit Fees are the aggregate fees billed for professional services for the audit of the Fund's annual financial statements and services provided in connection with statutory and regulatory filings or engagements.
- (2) Audit Related Fees are the aggregate fees billed for assurance and related services reasonably related to the performance of audit or review of financial statements and are not reported under Audit Fees.
- (3) Tax Fees are the aggregate fees billed for professional services for tax advice, tax compliance and tax planning.
- (4) All Other Fees are the aggregate fees billed for products and services for agreed-upon procedures engagements for the leveraged Funds.

Non-Audit Fees. The following tables provide the aggregate non-audit fees billed by each Fund's independent registered accounting firm for services rendered to each Fund, the Adviser and the Adviser Entities during each Fund's last two fiscal years.

Total Non-Audit Fees Billed to Adviser and Adviser Entities (Engagements Related Directly to	Total Non-Audit Fees Billed
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