FIRSTENERGY CORP
Form 4
February 23, 2009

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
SCHNEIDER DONALD R

(Last) (First) (Middle)

76 SOUTH MAIN STREET

(Street)

AKRON, OH 44308

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
FIRSTENERGY CORP [FE]

3. Date of Earliest Transaction (Month/Day/Year)
02/20/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Senior Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/20/2009		A		4,561.592 (1)	A	$ 52.03	23,847.165	D	
Common Stock	02/20/2009		D		4,561.592 (1)	D	$ 52.03	19,285.573	D	
Common Stock								124.0341	I	Savings Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control

SEC 1474 (9-02)

number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Phantom / Retirement	$ 1 (2)							(3)	(3)	Common Stock	2,657.4
Phantom 3/05d Retirement	$ 1 (2)							(4)	(4)	Common Stock	6,506.499
Phantom 3/06d	$ 1 (2)							03/02/2006	03/02/2009	Common Stock	7,870.908
Phantom 3/07d	$ 1 (2)							03/01/2007	03/01/2010	Common Stock	9,784.648
Phantom 3/08d	$ 1 (2)							03/01/2008	03/01/2011	Common Stock	6,455.998
Rsud2	$ 1 (2)							03/01/2010	03/01/2010	Common Stock	2,658
Rsud5	$ 1 (2)							03/01/2011	03/01/2011	Common Stock	2,329
Rsup10	$ 1 (2)							03/03/2011	03/03/2011	Common Stock	4,899
Rsup4	$ 1 (2)							03/01/2009	03/01/2009	Common Stock	2,216
Rsup6	$ 1 (2)							03/01/2010	03/01/2010	Common Stock	4,673

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
			Senior Vice President	

SCHNEIDER DONALD R
76 SOUTH MAIN STREET
AKRON, OH 44308

Signatures

Edward J. Udovich, POA	02/23/2009
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) On February 17, 2009, the Board authorized the cash payout of the 2006 grant of performance shares, no earlier than February 20, 2009, based on the average high and low prices of FirstEnergy's stock on each trading date during the month of December, 2008. Based on performance, the amount of the cash payout was increased by 45.6%.

(2) 1 for 1

(3) This transaction reflects the extension and vesting of phantom stock to retirement or other termination of employment under arrangements approved by the Compensation Committee.

(4) These transactions reflect the extension of the expiration date of phantom stock from 3/1/2005 to "retirement" or "other termination of employment" under arrangements approved by the Compensation Committee, and reflects the stock moving to the "retirement" account from the Phantom 3/02D.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. t>) (.03) — (.02) (.87) — (.87) — 14.26 13.30

2010												
	13.83	.96	1.17	(.04)	—	2.09	(.77)	—	(.77)	—**	15.15	14.48
2009(f)												
	14.25	.54	(.46)	(.12)	—	(.04)	(.38)	—	(.38)	—	13.83	12.10
Year Ended 7/31:												
2008												
	14.87	.93	(.55)	(.23)	(.03)	.12	(.65)	(.09)	(.74)	—	14.25	12.77
2007												
	15.02	.94	(.09)	(.24)	(.01)	.60	(.72)	(.03)	(.75)	—	14.87	14.39
2006												
	15.55	.96	(.40)	(.21)	—	.35	(.85)	(.03)	(.88)	—	15.02	15.05

Auction Rate Preferred Shares at End of Period			MuniFund Term Preferred Shares at End of Period					Auction Rate Preferred Shares and MuniFund Term Preferred Shares at End of Period
Aggregate Amount Outstanding (000)	Liquidation Value Per Share	Asset Coverage Per Share	Aggregate Amount Outstanding (000)	Liquidation Value Per Share	Ending Market Value Per Share	Average Market Value Per Share	Asset Coverage Per Share	Asset Coverage Per $1 Liquidation Preference

Ohio Quality Income (NUO)									
Year Ended 2/28:									
2011	$ 73,000	$ 25,000	$ 76,560	$—	$—	$—	$—	$—	
2010	73,000	25,000	78,917	—	—	—	—	—	—
2009(f)	77,000	25,000	71,066	—	—	—	—		—
Year Ended 7/31:									
2008	77,000	25,000	72,603	—	—	—	—	—	—
2007	77,000	25,000	75,017	—	—	—	—	—	—
2006	77,000	25,000	75,658	—	—	—	—	—	—
Ohio Dividend Advantage (NXI)									
Year Ended 2/28:									
2011	12,500	25,000	72,379	19,450	10	9.78	9.85^	28.95	2.90
2010	29,000	25,000	80,423	—	—	—	—	—	—
2009(f)	31,000	25,000	72,332	—	—	—	—	—	—
Year Ended 7/31:									
2008	31,000	25,000	73,770	—	—	—	—	—	—
2007	31,000	25,000	75,898	—	—	—	—	—	—
2006	31,000	25,000	76,400	—	—	—	—	—	—

Total Returns			Ratios/Supplemental Data						
			Ratios to Average Net Assets Applicable to Common Shares Before Reimbursement(c)			Ratios to Average Net Assets Applicable to Common Shares After Reimbursement(c)(d)			
Based on Market Value(b)	Based on Common Share Net Asset Value(b)	Ending Net Assets Applicable to Common Shares (000)	Expenses Including Interest(e)	Expenses Excluding Interest	Net Investment Income	Expenses Including Interest(e)	Expenses Excluding Interest	Net Investment Income	Portfolio Turnover Rate
.91 %	1.09 %	$ 150,555	1.14 %	1.14 %	6.32 %	N/A	N/A	N/A	14 %
27.57	16.76	157,439	1.20	1.20	6.51	N/A	N/A	N/A	6
(0.71)	(0.49)	141,883	1.35 *	1.31 *	6.77 *	N/A	N/A	N/A	10
(2.18)	(.26)	146,617	1.42	1.26	6.08	N/A	N/A	N/A	14
(4.25)	3.56	154,052	1.29	1.19	5.94	N/A	N/A	N/A	15
(1.36)	2.10	156,026	1.20	1.20	6.05	N/A	N/A	N/A	9
(2.52)	(.23)	60,550	1.41	1.22	6.18	1.33 %	1.13 %	6.26 %	14
26.70	15.46	64,290	1.21	1.21	6.47	1.06	1.06	6.62	7
(2.08)	(0.15)	58,692	1.35 *	1.31 *	6.64 *	1.12 *	1.09 *	6.87 *	10
(6.21)	.83	60,475	1.39	1.24	6.06	1.12	.97	6.33	17
.52	4.02	63,114	1.32	1.22	5.85	.97	.87	6.20	14
(6.53)	2.32	63,735	1.21	1.21	5.85	.79	.79	6.27	6

(a) The amounts shown are based on Common share equivalents.

(b) Total Return Based on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation.

Total returns are not annualized.

Total Return Based on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund’s market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

(c) Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders; Net Investment Income ratios reflect income earned and expenses incurred on assets attributable to Auction Rate Preferred shares and/or MuniFund Term Preferred shares, where applicable.

(d) After expense reimbursement from the Adviser, where applicable. Ratios do not reflect the effect of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable.

(e) The expense ratios reflect, among other things, payments to MuniFund Term Preferred shareholders and/or the interest expense deemed to have been paid by the Fund on the floating rate certificates issued by the special purpose trusts for the self-deposited inverse floaters held by the Fund, where applicable, each as described in Footnote 1 – General Information and Significant Accounting Policies, MuniFund Term Preferred Shares and Inverse Floating Rate Securities, respectively.

(f) For the seven months ended February 28, 2009.

* Annualized.

** Rounds to less than $.01 per share.

^ For the period November 22, 2010 (first issuance date of shares) through February 28, 2011.

N/A Fund does not have a contractual reimbursement agreement with the Adviser.

See accompanying notes to financial statements.

Financial

Highlights (continued)

Selected data for a Common share outstanding throughout each period:

		Investment Operations					Less Distributions					
	Beginning Common Share Net Asset Value	Net Investment Income	Net Realized/ Unrealized Gain (Loss)	Distributions from Net Investment Income to Preferred Share- holders(a)	Distributions from Capital Gains to Preferred Share- holders(a)	Total	Net Investment Income to Common Share- holders	Capital Gains to Common Share- holders	Total	Discount from Common Shares Repurchased and Retired	Ending Common Share Net Asset Value	Ending Market Value
Ohio Dividend Advantage 2 (NBJ)												
Year Ended 2/28:												
2011	$ 14.74	$ .94	$ (.75)	$ (.03)	$ —	$ .16	$ (.84)	$ —	$ (.84)	$ —	$ 14.06	$ 13.01
2010	13.06	.93	1.53	(.04)	—	2.42	(.74)	—	(.74)	—	14.74	13.85
2009(f)	13.87	.54	(.84)	(.13)	—	(.43)	(.38)	—	(.38)	—	13.06	11.58
Year Ended 7/31:												
2008	14.64	.93	(.73)	(.25)	(.02)	(.07)	(.64)	(.06)	(.70)	—	13.87	12.37
2007	14.81	.92	(.10)	(.25)	(.01)	.56	(.69)	(.04)	(.73)	—	14.64	13.80
2006	15.37	.93	(.41)	(.22)	(.01)	.29	(.80)	(.05)	(.85)	—	14.81	14.70
Ohio Dividend Advantage 3 (NVJ)												
Year Ended 2/28:												
2011	15.33	1.01	(1.06)	(.03)	—	(.08)	(.90)	—	(.90)	—	14.35	13.72
2010	13.97	1.00	1.19	(.04)	—	2.15	(.79)	—	(.79)	—**	15.33	15.20
2009(f)	14.33	.55	(.39)	(.12)	—	.04	(.40)	—	(.40)	—	13.97	11.95
Year Ended 7/31:												
2008	14.92	.95	(.56)	(.23)	(.02)	.14	(.67)	(.06)	(.73)	—	14.33	12.91
2007	15.06	.96	(.08)	(.25)	(.01)	.62	(.72)	(.04)	(.76)	—	14.92	14.35
2006	15.57	.95	(.45)	(.22)	—	.28	(.79)	—	(.79)	—	15.06	14.75

Auction Rate Preferred Shares

	at End of Period		
	Aggregate Amount Outstanding (000)	Liquidation Per Share	Asset Coverage Per Share
Ohio Dividend Advantage 2 (NBJ)			
Year Ended 2/28:			
2011	$21,600	$25,000	$75,821
2010	21,600	25,000	78,241
2009(f)	23,100	25,000	69,107
Year Ended 7/31:			
2008	24,000	25,000	70,090
2007	24,000	25,000	72,598
2006	24,000	25,000	73,169
Ohio Dividend Advantage 3 (NVJ)			
Year Ended 2/28:			
2011	15,500	25,000	74,948
2010	15,500	25,000	78,325
2009(f)	16,500	25,000	70,647
Year Ended 7/31:			
2008	16,500	25,000	71,881
2007	16,500	25,000	73,778
2006	16,500	25,000	74,252

			Ratios/Supplemental Data							
			Ratios to Average Net Assets Applicable to Common Shares Before Reimbursement(c)			Ratios to Average Net Assets Applicable to Common Shares After Reimbursement(c)(d)				
Total Returns Based on Market Value(b)	Based on Common Share Net Asset Value(b)	Ending Net Assets Applicable to Common Shares (000)	Expenses Including Interest(e)	Expenses Excluding Interest	Net Investment Income	Expenses Including Interest(e)	Expenses Excluding Interest	Net Investment Income	Portfolio Turnover Rate	
(.37)%	1.00 %	$ 43,909	1.22 %	1.22 %	6.31 %	1.10 %	1.10 %	6.43 %	9 %	
26.62	18.91	46,000	1.27	1.27	6.49	1.07	1.07	6.69	8	
(3.09)	(3.01)	40,755	1.46 *	1.42 *	6.91 *	1.20 *	1.16 *	7.17 *	5	
(5.46)	(.51)	43,286	1.46	1.30	6.10	1.14	.98	6.41	16	
(1.26)	3.80	45,694	1.41	1.31	5.76	1.02	.92	6.15	14	
.35	1.96	46,242	1.27	1.27	5.71	.81	.81	6.16	8	
(4.13)	(.66)	30,968	1.26	1.26	6.53	1.10	1.10	6.69	12	
34.62	15.73	33,062	1.30	1.30	6.56	1.07	1.07	6.80	14	
(4.29)	.36	30,127	1.46 *	1.42 *	6.63 *	1.15 *	1.12 *	6.93 *	9	
(5.13)	.95	30,941	1.47	1.32	6.05	1.12	.97	6.41	19	
2.32	4.06	32,194	1.41	1.31	5.85	.99	.89	6.27	19	
(2.33)	1.87	32,506	1.28	1.28	5.76	.83	.83	6.21	2	

(a) The amounts shown are based on Common share equivalents.

(b) Total Return Based on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation.
Total returns are not annualized.
Total Return Based on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

(c)

Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders; Net Investment Income ratios reflect income earned and expenses incurred on assets attributable to Auction Rate Preferred shares.

(d) After expense reimbursement from the Adviser, where applicable. Ratios do not reflect the effect of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable.

(e) The expense ratios reflect, among other things, the interest expense deemed to have been paid by the Fund on the floating rate certificates issued by the special purpose trusts for the self-deposited inverse floaters held by the Fund, where applicable, as described in Footnote 1 – General Information and Significant Accounting Policies, Inverse Floating Rate Securities.

(f) For the seven months ended February 28, 2009.

* Annualized.

** Rounds to less than $.01 per share.

See accompanying notes to financial statements.

Notes to

Financial Statements

1. General Information and Significant Accounting Policies

General Information

The funds covered in this report and their corresponding Common share stock exchange symbols are Nuveen Michigan Quality Income Municipal Fund, Inc. (NUM), Nuveen Michigan Premium Income Municipal Fund, Inc. (NMP), Nuveen Michigan Dividend Advantage Municipal Fund (NZW), Nuveen Ohio Quality Income Municipal Fund, Inc. (NUO), Nuveen Ohio Dividend Advantage Municipal Fund (NXI), Nuveen Ohio Dividend Advantage Municipal Fund 2 (NBJ) and Nuveen Ohio Dividend Advantage Municipal Fund 3 (NVJ) (collectively, the “Funds”). Common shares of Michigan Quality Income (NUM), Michigan Premium Income (NMP), and Ohio Quality Income (NUO) are traded on the New York Stock Exchange (“NYSE”) while Common shares of Michigan Dividend Advantage (NZW), Ohio Dividend Advantage (NXI), Ohio Dividend Advantage 2 (NBJ) and Ohio Dividend Advantage 3 (NVJ) are traded on the NYSE Amex. The Funds are registered under the Investment Company Act of 1940, as amended, as closed-end management investment companies.

Each Fund seeks to provide current income exempt from both regular federal and designated state income taxes by investing primarily in a portfolio of municipal obligations issued by state and local government authorities within a single state or certain U.S. territories.

Effective January 1, 2011, the Funds’ adviser, Nuveen Asset Management, a wholly-owned subsidiary of Nuveen Investments, Inc. (“Nuveen”), changed its name to Nuveen Fund Advisors, Inc. (the “Adviser”). Concurrently, the Adviser formed a wholly-owned subsidiary, Nuveen Asset Management LLC (the “Sub-Adviser”), to house its portfolio management capabilities and to serve as the Funds’ sub-adviser, and the Funds’ portfolio managers became employees of the Sub-Adviser. This allocation of responsibilities between the Adviser and the Sub-Adviser affects each of the Funds. The Adviser will compensate the Sub-Adviser for the portfolio management services it provides to the Funds from the Funds’ management fee.

Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Funds in the preparation of their financial statements in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”).

Investment Valuation

Prices of municipal bonds are provided by a pricing service approved by the Funds’ Board of Directors/Trustees. These securities are generally classified as Level 2 for fair value measurement purposes. When price quotes are not readily available (which is usually the case for municipal bonds) the pricing service establishes a security’s fair value using methods that may include consideration of the following: yields or prices of investments of comparable quality, type of issue, coupon, maturity and rating, market quotes or indications of value from security dealers, evaluations of anticipated cash flows or collateral, general market conditions and other information and analysis, including the obligor’s credit characteristics considered relevant. In pricing certain securities, particularly less liquid and lower quality securities, the pricing service may consider information about a security, its issuer, or market activity, provided by the Adviser. These securities are generally classified as Level 2 or Level 3 depending on the priority of the significant inputs.

Temporary investments in securities that have variable rate and demand features qualifying them as short-term investments are valued at amortized cost, which approximates market value. These securities are generally classified as Level 2.

Certain securities may not be able to be priced by the pre-established pricing methods as described above. Such securities may be valued by the Funds' Board of Directors/Trustees or its designee at fair value. These securities generally include, but are not limited to, restricted securities (securities which may not be publicly sold without registration under the Securities Act of 1933, as amended) for which a pricing service is unable to provide a market price; securities whose trading has been formally suspended; debt securities that have gone into default and for which there is no current market quotation; a security whose market price is not available from a pre-established pricing source; a security with respect to which an event has occurred that is likely to materially affect the value of the security after the market has closed but before the calculation of a Fund's net asset value (as may be the case in non-U.S. markets on which the security is primarily traded) or make it difficult or impossible to obtain a reliable market quotation; and a security whose price, as provided by the pricing service, is not deemed to reflect the security's fair value. As a general principle, the fair value of an issue of securities would appear to be the amount that the owner might reasonably expect to receive for them in a current sale. A variety of factors may be considered in determining the fair value of these securities, which may include consideration of the following: yields or prices of investments of comparable quality, type of issue, coupon, maturity and rating, market quotes or indications of value from security dealers, evaluations of anticipated cash flows or collateral, general market conditions and other information and analysis, including the obligor's credit characteristics considered relevant.

These securities are generally classified as Level 2 or Level 3 depending on the priority of the significant inputs. Regardless of the method employed to value a particular security, all valuations are subject to review by the Funds' Board of Directors/Trustees or its designee.

Refer to Footnote 2 – Fair Value Measurements for further details on the leveling of securities held by the Funds as of the end of the reporting period.

Investment Transactions

Investment transactions are recorded on a trade date basis. Realized gains and losses from transactions are determined on the specific identification method, which is the same basis used for federal income tax purposes. Investments purchased on a when-issued/delayed delivery basis may have extended settlement periods. Any investments so purchased are subject to market fluctuation during this period. The Funds have instructed the custodian to segregate assets with a current value at least equal to the amount of the when-issued/delayed delivery purchase commitments. At February 28, 2011, Michigan Quality Income (NUM), Michigan Premium Income (NMP) and Michigan Dividend Advantage (NZW) had outstanding when-issued/delayed delivery purchase commitments of $2,132,876, $839,820 and $324,375, respectively. There were no such outstanding purchase commitments in any of the other Funds.

Investment Income

Interest income, which reflects the amortization of premiums and includes accretion of discounts for financial reporting purposes, is recorded on an accrual basis. Investment income also includes paydown gains and losses, if any.

Income Taxes

Each Fund is a separate taxpayer for federal income tax purposes. Each Fund intends to distribute substantially all of its net investment income and net capital gains to shareholders and to otherwise comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. Therefore, no federal income tax provision is required. Furthermore, each Fund intends to satisfy conditions that will enable interest from municipal securities, which is exempt from regular federal and designated state income taxes, to retain such tax-exempt status when distributed to shareholders of the Funds. Net realized capital gains and ordinary income distributions paid by the Funds are subject to federal taxation.

For all open tax years and all major taxing jurisdictions, management of the Funds has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements. Open tax years are those that are open for examination by taxing authorities (i.e., generally the last four tax year ends and the interim tax period since then). Furthermore, management of the Funds is also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

Dividends and Distributions to Common Shareholders

Dividends from net investment income are declared monthly. Net realized capital gains and/or market discount from investment transactions, if any, are distributed to shareholders at least annually. Furthermore, capital gains are distributed only to the extent they exceed available capital loss carryforwards.

Distributions to Common shareholders of net investment income, net realized capital gains and/or market discount, if any, are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from U.S. GAAP.

Auction Rate Preferred Shares

Each Fund is authorized to issue Auction Rate Preferred Shares ("ARPS"). The following Funds have issued and outstanding ARPS, $25,000 stated value per share, which approximates market value, as a means of effecting financial leverage. Each Fund's ARPS are issued in one or more Series. The dividend rate paid by the Funds on each Series is determined every seven days, pursuant to a dutch auction process overseen by the auction agent, and is payable at the end of each rate period. As of February 28, 2011, the number of ARPS outstanding for each Fund is as follows:

	Michigan Quality Income (NUM)	Michigan Premium Income (NMP)
Number of shares:		
Series M	—	805
Series W	—	—
Series TH	2,972	1,343
Series F	521	—
Total	3,493	2,148

Nuveen Investments 81

Notes to

Financial Statements (continued)

	Ohio Quality Income (NUO)	Ohio Dividend Advantage (NXI)	Ohio Dividend Advantage 2 (NBJ)	Ohio Dividend Advantage 3 (NVJ)
Number of shares:				
Series M	645	—	—	—
Series T	—	—	—	620
Series W	—	500	—	—
Series TH	1,327	—	—	—
Series TH2	948	—	—	—
Series F	—	—	864	—
Total	2,920	500	864	620

Beginning in February 2008, more shares for sale were submitted in the regularly scheduled auctions for the ARPS issued by the Funds than there were offers to buy. This meant that these auctions “failed to clear,’’ and that many ARPS shareholders who wanted to sell their shares in these auctions were unable to do so. ARPS shareholders unable to sell their shares received distributions at the “maximum rate’’ applicable to failed auctions as calculated in accordance with the pre-established terms of the ARPS. As of February 28, 2011, the aggregate amount of outstanding ARPS redeemed by each Fund is as follows:

	Michigan Quality Income (NUM)	Michigan Premium Income (NMP)	Michigan Dividend Advantage (NZW)
ARPS redeemed, at liquidation value	$6,675,000	$2,300,000	$16,000,000

	Ohio Quality Income (NUO)	Ohio Dividend Advantage (NXI)	Ohio Dividend Advantage 2 (NBJ)	Ohio Dividend Advantage 3 (NVJ)
ARPS redeemed, at liquidation value	$4,000,000	$18,500,000	$2,400,000	$1,000,000

MuniFund Term Preferred Shares

The following Funds have issued and outstanding MuniFund Term Preferred (“MTP”) Shares, with a $10 stated value per share. Proceeds from the issuance of MTP Shares, net of offering expenses, were used to redeem all or a portion of each Fund’s outstanding ARPS. Each Fund’s MTP Shares are issued in one Series. Dividends, which are recognized as interest expense for financial reporting purposes, are paid monthly at a fixed annual rate, subject to adjustments in certain circumstances. The MTP Shares trade on the NYSE. As of February 28, 2011, the number of MTP Shares outstanding, fixed annual rate and NYSE “ticker” symbol for each Fund are as follows:

	Michigan Dividend Advantage (NZW)			Ohio Dividend Advantage (NXI)		
	Shares Outstanding	Annual Interest Rate	NYSE Ticker	Shares Outstanding	Annual Interest Rate	NYSE Ticker
Series 2015	1,631,300	2.30%	NZW Pr C	1,945,000	2.35%	NXI Pr C

Each Fund is obligated to redeem its MTP Shares by the date as specified in its offering document (“Term Redemption Date”), unless earlier redeemed or repurchased by the Fund. MTP Shares are subject to optional and mandatory redemption in certain circumstances. MTP Shares will be subject to redemption at the option of each Fund (“Optional Redemption Date”), subject to a payment of premium for one year following the Optional Redemption Date (“Premium Expiration Date”), and at par thereafter. MTP Shares also will be subject to redemption, at the option of each Fund, at par in the event of certain changes in the credit rating of the MTP Shares. Each Fund may be obligated to redeem certain of the MTP Shares if the Fund fails to maintain certain asset coverage and leverage ratio requirements and such failures are not cured by the applicable cure date. The redemption price per share is equal to the sum of the liquidation value per share plus any accumulated but unpaid dividends. The Term Redemption Date, Optional Redemption Date and Premium Expiration Date for each Fund's MTP Shares are as follows:

	Michigan Dividend Advantage (NZW) Series 2015	Ohio Dividend Advantage (NXI) Series 2015
Term Redemption Date	December 1, 2015	December 1, 2015
Optional Redemption Date	December 1, 2011	December 1, 2011
Premium Expiration Date	November 30, 2012	November 30, 2012

The average liquidation value of MTP Shares outstanding for each Fund during the fiscal year ended February 28, 2011, was as follows:

	Michigan Dividend Advantage (NZW)*	Ohio Dividend Advantage (NXI)**
Average liquidation value of MTP Shares outstanding	$16,257,038	$19,201,010

* For the period November 15, 2010 (first issuance date of shares) through February 28, 2011.

** For the period November 22, 2010 (first issuance date of shares) through February 28, 2011.

For financial reporting purposes only, the liquidation value of MTP Shares is recorded as a liability on the Statement of Assets and Liabilities. Unpaid dividends on MTP Shares are recognized as a component of "Interest payable" on the Statement of Assets and Liabilities. Dividends paid on MTP Shares are recognized as a component of "Interest expense and amortization of offering costs" on the Statement of Operations.

Net amounts earned by Nuveen as underwriter of each Fund's MTP Share offering were recorded as reductions of offering costs recognized by the Funds. For the fiscal year ended February 28, 2011, there were no amounts earned by Nuveen.

Inverse Floating Rate Securities

Each Fund is authorized to invest in inverse floating rate securities. An inverse floating rate security is created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. In turn, this trust (a) issues floating rate certificates, in face amounts equal to some fraction of the deposited bond's par amount or market value, that typically pay short-term tax-exempt interest rates to third parties, and (b) issues to a long-term investor (such as one of the Funds) an inverse floating rate certificate (sometimes referred to as an "inverse floater") that represents all remaining or residual interest in the trust. The income received by the inverse floater holder varies inversely with the short-term rate paid to the floating rate certificates' holders, and in most circumstances the inverse floater holder bears substantially all of the underlying bond's downside investment risk and also benefits disproportionately from any potential appreciation of the underlying bond's value. The price of an inverse floating rate security will be more volatile than that of the underlying bond because the interest rate is dependent on not only the fixed coupon rate of the underlying bond but also on the short-term interest paid on the floating rate certificates, and because the inverse floating rate security essentially bears the risk of loss of the greater face value of the underlying bond.

A Fund may purchase an inverse floating rate security in a secondary market transaction without first owning the underlying bond (referred to as an "externally-deposited inverse floater"), or instead by first selling a fixed-rate bond to a broker-dealer for deposit into the special purpose trust and receiving in turn the residual interest in the trust (referred to as a "self-deposited inverse floater"). The inverse floater held by a Fund gives the Fund the right (a) to cause the holders of the floating rate certificates to tender their notes at par, and (b) to have the broker transfer the fixed-rate bond held by the trust to the Fund, thereby collapsing the trust. An investment in an externally-deposited inverse floater is identified in the Portfolio of Investments as "(IF) – Inverse floating rate investment." An investment in a self-deposited inverse floater is accounted for as a financing transaction. In such instances, a fixed-rate bond deposited into a special purpose trust is identified in the Portfolio of Investments as "(UB) – Underlying bond of an inverse floating rate trust reflected as a financing transaction," with the Fund accounting for the short-term floating rate certificates issued by the trust as "Floating rate obligations" on the Statement of Assets and Liabilities. In addition, the Fund reflects in "Investment Income" the entire earnings of the underlying bond and related interest paid to the holders of the short-term floating rate certificates as a component of "Interest expense and amortization of offering costs" on the Statement of Operations.

During the fiscal year ended February 28, 2011, each Fund invested in externally-deposited inverse floaters and/or self-deposited inverse floaters.

Each Fund may also enter into shortfall and forbearance agreements (sometimes referred to as a "recourse trust" or "credit recovery swap") (such agreements referred to herein as "Recourse Trusts") with a broker-dealer by which a Fund agrees to reimburse the broker-dealer, in certain circumstances, for the difference between the liquidation value of the fixed-rate bond held by the trust and the liquidation value of the floating rate certificates issued by the trust plus any shortfalls in interest cash flows. Under these agreements, a Fund's potential exposure to losses related to or on inverse floaters may increase beyond the value of a Fund's inverse floater investments as a Fund may potentially be liable to fulfill all amounts owed to holders of the floating rate certificates. At period end, any such shortfall is recognized as "Unrealized depreciation on Recourse Trusts" on the Statement of Assets and Liabilities.

Notes to
Financial Statements (continued)

At February 28, 2011, the Funds were not invested in externally-deposited Recourse Trusts.

	Michigan Quality Income (NUM)	Michigan Premium Income (NMP)	Michigan Dividend Advantage (NZW)	Ohio Quality Income (NUO)	Ohio Dividend Advantage (NXI)	Ohio Dividend Advantage 2 (NBJ)	Ohio Dividend Advantage 3 (NVJ)
	$ —	$ —	$ —	$ —	$ —	$ —	$ —

Maximum exposure to Recourse Trusts	

The average floating rate obligations outstanding and average annual interest rate and fees related to self-deposited inverse floaters during the fiscal year ended February 28, 2011, were as follows:

	Michigan Quality Income (NUM)	Michigan Premium Income (NMP)	Michigan Dividend Advantage (NZW)
Average floating rate obligations outstanding	$3,630,000	$2,330,000	$665,000
Average annual interest rate and fees	1.00%	1.00%	1.00%

Derivative Financial Instruments

Each Fund is authorized to invest in futures, options, swaps and other derivative instruments. Although the Funds are authorized to invest in such financial instruments, and may do so in the future, they did not make any such investments during the fiscal year ended February 28, 2011.

Market and Counterparty Credit Risk

In the normal course of business each Fund may invest in financial instruments and enter into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the other party to the transaction to perform (counterparty credit risk). The potential loss could exceed the value of the financial assets recorded on the financial statements. Financial assets, which potentially expose each Fund to counterparty credit risk, consist principally of cash due from counterparties on forward, option and swap transactions, when applicable. The extent of each Fund's exposure to counterparty credit risk in respect to these financial assets approximates their carrying value as recorded on the Statement of Assets and Liabilities. Futures contracts, when applicable, expose a Fund to minimal counterparty credit risk as they are exchange traded and the exchange's clearinghouse, which is counterparty to all exchange traded futures, guarantees the futures contracts against default.

Each Fund helps manage counterparty credit risk by entering into agreements only with counterparties the Adviser believes have the financial resources to honor their obligations and by having the Adviser monitor the financial stability of the counterparties. Additionally, counterparties may be required to pledge collateral daily (based on the daily valuation of the financial asset) on behalf of each Fund with a value approximately equal to the amount of any unrealized gain above a pre-determined threshold. Reciprocally, when each Fund has an unrealized loss, the Funds have instructed the custodian to pledge assets of the Funds as collateral with a value approximately equal to the amount of the unrealized loss above a pre-determined threshold. Collateral pledges are monitored and subsequently adjusted if and when the valuations fluctuate, either up or down, by at least the predetermined threshold amount.

Zero Coupon Securities

Each Fund is authorized to invest in zero coupon securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax-exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

Offering Costs

Costs incurred by the Funds in connection with their offerings of MTP Shares were recorded as a deferred charge, which will be amortized over the life of the shares. Each Fund's amortized deferred charges are recognized as a component of "Interest expense and amortization of offering costs" on the Statement of Operations. As of February 28, 2011, each Fund's offering costs incurred were as follows:

	Michigan Dividend Advantage (NZW)	Ohio Dividend Advantage (NXI)
MTP Shares offering costs	$574,695	$551,750

Custodian Fee Credit

Each Fund has an arrangement with the custodian bank whereby certain custodian fees and expenses are reduced by net credits earned on each Fund's cash on deposit with the bank. Such deposit arrangements are an alternative to overnight investments. Credits for cash balances may be offset by charges for any days on which a Fund overdraws its account at the custodian bank.

84 Nuveen Investments

Indemnifications

Under the Funds' organizational documents, their officers and directors/trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Funds enter into contracts that provide general indemnifications to other parties. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, the Funds have not had prior claims or losses pursuant to these contracts and expect the risk of loss to be remote.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets applicable to Common shares from operations during the reporting period. Actual results may differ from those estimates.

2. Fair Value Measurements

Fair value is defined as the price that the Funds would receive upon selling an investment or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market of the investment. A three-tier hierarchy is used to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability. Observable inputs are based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. Unobservable inputs are based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

Level 1 – Quoted prices in active markets for identical securities.

Level 2 – Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 – Significant unobservable inputs (including management's assumptions in determining the fair value of investments).

The inputs or methodologies used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of each Fund's fair value measurements as of February 28, 2011:

Michigan Quality Income (NUM)	Level 1	Level 2	Level 3	Total
Investments:				
Municipal Bonds	$—	$252,805,857	$—	$252,805,857
Michigan Premium Income (NMP)	Level 1	Level 2	Level 3	Total
Investments:				