Huron Consulting Group Inc.
Form S-1/A
June 22, 2004
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As filed with the Securities and Exchange Commission on June 21, 2004.

Registration No. 333-115434

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1

To

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

HURON CONSULTING GROUP INC.

(Exact name of registrant as specified in its charter)

Delaware	**8742**	**01-0666114**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code number)**	**(IRS Employer Identification Number)**

550 West Van Buren Street

Chicago, Illinois 60607

(312) 583-8700

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Gary E. Holdren

Chief Executive Officer and President

Huron Consulting Group Inc.

550 West Van Buren Street

Chicago, Illinois 60607

(312) 583-8700

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ¨

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement number for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. ¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price (1)(2)	Amount of Registration Fee (3)
Common stock, par value $.01 per share	$ 115,000,000	$ 14,571

(1) Estimated solely for the purpose of computing the registration fee in accordance with Rule 457(o) of the Securities Act of 1933, as amended.
(2) Includes shares that may be sold, if any, pursuant to the underwriter s overallotment option.
(3) In connection with the initial filing of the Registration Statement on May 12, 2004, $12,670 was previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. Neither we nor the selling stockholder may sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and neither we nor the selling stockholder are soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS Subject to Completion June 21, 2004

Shares

Common Stock

This is the initial public offering of shares of common stock of Huron Consulting Group Inc. Prior to this offering, there has been no public market for our common stock. We are offering shares of common stock and the selling stockholder identified in this prospectus is offering shares of common stock. We will not receive any proceeds from the sale of any shares by the selling stockholder. The initial public offering price of our common stock is expected to be between $ and $ per share.

We have applied for the quotation of our common stock on the NASDAQ National Market under the symbol HURN.

Investing in our common stock involves a high degree of risk. Before buying any shares, you should carefully read the discussion of material risks of investing in our common stock in Risk factors beginning on page 11 of this prospectus.

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

	Per Share	Total
Public offering price	$	$
Underwriting discounts and commissions	$	$
Proceeds, before expenses, to us	$	$
Proceeds, before expenses, to the selling stockholder	$	$

The underwriters may also purchase up to an additional shares of common stock from the selling stockholder at the public offering price, less underwriting discounts and commissions, within 30 days from the date of this prospectus to cover over-allotments, if any. If the underwriters exercise this option in full, the total underwriting discounts and commissions will be $ and total proceeds, before expenses, to the selling stockholder will be $.

The underwriters are offering the common stock as set forth under Underwriting. Delivery of the shares of common stock will be made on or about , 2004.

UBS Investment Bank **Deutsche Bank Securities**

William Blair & Company

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You should only rely on the information contained in this prospectus. Neither we, the selling stockholder nor the underwriters have authorized anyone to provide you with information different from that contained in this prospectus. We and the selling stockholder are offering to sell, and seeking offers to buy, shares of common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is current only as of the date of this prospectus.

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Through and including , 2004 (the 25th day after commencement of this offering), federal securities law may require all dealers effecting transactions in our common stock, whether or not participating in this offering, to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Huron Consulting Group Inc., Huron Consulting Group, our logo and certain other names of our services are our trademarks, trade names or service marks. Each trademark, trade name or service mark of any other company appearing in this prospectus belongs to its holder.

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Prospectus summary

The following is a summary of some of the information contained in this prospectus. In addition to this summary, we urge you to read the entire prospectus carefully, especially the risks of investing in our common stock discussed under Risk factors and the consolidated financial statements and notes to those financial statements included elsewhere in this prospectus. In this prospectus, unless the context otherwise requires, the terms Huron, company, we, us and our refer to Huron Consulting Group Inc. and its subsidiaries.

OUR BUSINESS

We are an independent provider of financial and operational consulting services. Our highly experienced and credentialed professionals employ their expertise in accounting, finance, economics and operations to provide our clients with specialized analysis and customized advice and solutions that are tailored to address each client s particular challenges and opportunities.

We provide our services through two segments: Financial Consulting and Operational Consulting. Our Financial Consulting segment helps clients effectively address complex challenges that arise from litigation, disputes, investigations, regulation, financial distress and other sources of significant conflict or change. Our services in this segment include financial and economic analysis; forensic accounting; expert support and testimony services; restructuring, turnaround and bankruptcy advisory services; and valuation analysis. Our Operational Consulting segment helps clients improve the overall efficiency and effectiveness of their operations, reduce costs, manage regulatory compliance and maximize procurement efficiency. For the year ended December 31, 2003 and the three months ended March 31, 2004, we derived 68.9% and 61.6%, respectively, of our revenues from Financial Consulting and 31.1% and 38.4%, respectively, of our revenues from Operational Consulting.

We believe many organizations are facing increasingly large and complex business disputes and lawsuits, a growing number of regulatory and internal investigations and more intense public scrutiny. Concurrently, we believe increased competition and regulation are presenting significant operational and financial challenges for organizations. Distressed companies are responding to these challenges by restructuring and reorganizing their businesses and capital structures, while financially healthy organizations are striving to take advantage of business opportunities by improving operations, reducing costs and maximizing revenue. Many organizations have limited dedicated resources to respond effectively to these challenges and opportunities. Consequently, we believe these organizations will increasingly seek to augment their internal resources with experienced independent consultants like us.

We provide our services to a wide variety of both financially sound and distressed organizations, including Fortune 500 companies, medium-sized and large businesses, leading academic institutions, healthcare organizations and the law firms that represent these various organizations. Since May 2002, we have conducted over 1,000 engagements for over 500 clients, and we have worked on engagements with 35 of the 40 largest U.S. law firms listed in *The American Lawyer* 2003 Am Law 100.

As of March 31, 2004, we had 588 employees, including 483 billable professionals, whom we refer to as consultants. In addition to our headquarters in Chicago, we have five other core offices located in Boston, Houston, New York City, San Francisco and Washington, D.C. and two smaller offices located in Charlotte and Los Angeles.

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OUR HISTORY

Huron was formed in March 2002 and commenced operations in May 2002. We were founded by a core group of experienced financial and operational consultants that consisted primarily of former Arthur Andersen LLP partners and professionals, including our chief executive officer, Gary E. Holdren, with equity sponsorship from a group of investors led by Lake Capital Management LLC. We created Huron because we believed that a financial and operational consulting business that is unaffiliated with a public accounting firm is better suited to serve its clients needs. As an independent consulting firm, Huron is not subject to the legal restrictions placed on public accounting firms that prohibit them from providing certain non-audit services to their audit clients. We also believed that many other consulting firms provided only a limited scope of services and, therefore, a company such as ours with a wide array of services would be better positioned to serve the diverse and complex needs of various organizations.

In response to strong demand for our services, we began aggressively hiring consultants in the first quarter of 2003 and added over 200 new consultants during 2003. While this aggressive hiring negatively impacted our utilization rates (determined by dividing the number of hours all of our consultants worked on client assignments during a period by the total available working hours for all of our consultants during the same period, assuming a forty-hour work week, less paid holidays and vacation days) as we integrated our new hires, we believe the early results of this growth initiative are evident in our recent financial results. Revenues in 2002 totaled $35.1 million for our first eight months of operations and rose to $101.5 million in 2003, our first full year of operations. Revenues totaled $40.1 million in the three months ended March 31, 2004 compared to $23.2 million in the three months ended March 31, 2003, representing 72.8% year-over-year growth. We incurred a net loss of $4.2 million for the partial year ended December 31, 2002 and a net loss of $1.1 million for the year ended December 31, 2003 and generated net income of $2.3 million for the three months ended March 31, 2004. At March 31, 2004, we had a total stockholders deficit of $4.5 million.

OUR COMPETITIVE STRENGTHS

We believe our key competitive strengths include:

- Ø **Experienced and highly qualified consultants.** Our consultants combine proficiency in accounting, finance, economics and operations with deep knowledge of specific industries. In addition, many of our consultants are highly credentialed and include certified public accountants, MBAs, accredited valuation specialists and forensic accountants.

- Ø **Independent provider of financial and operational consulting services.** We believe increased regulations, growing public scrutiny and concern regarding auditor conflicts of interests provide us with a competitive advantage over public accounting firms in securing consulting engagements. We also believe that the relatively small number of large public accounting firms will lead some organizations to engage independent consultants like us to preserve their flexibility to hire large public accounting firms for audit or other attest services.

- Ø **Complementary service offerings and integrated approach.** We offer a broad array of financial and operational consulting services that can be delivered through teams of consultants from our different practices. Our integrated approach enables us to provide solutions tailored to specific client needs. In addition, our range of service offerings reduces our dependence on any one service offering or industry, provides a stimulating work environment for our consultants and enhances our flexibility in managing the utilization and career development of our directors, managers, associates and analysts.

- Ø **Distinctive culture.** We believe we have been successful in attracting and retaining top talent because of our distinctive culture, which combines the energy and flexibility of a high-growth company

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with the professionalism of a major professional services firm. We believe our performance-based compensation program, which both recognizes individual performance and reinforces teamwork, also contributes to our recruiting and retention success.

OUR GROWTH STRATEGY

We have grown significantly since we commenced operations, more than doubling the number of our consultants from 213 on May 31, 2002 to 483 on March 31, 2004. We believe there are a number of opportunities to continue to grow our business, including:

- **Attracting additional highly qualified consultants.** We believe our stimulating work environment, performance-based compensation program and distinctive culture will enable us to attract additional top talent from other consulting firms, accounting firms, targeted industries and on-campus recruiting. In the near term, our focus will primarily be on hiring and developing additional managers, associates and analysts to expand support for our existing practices and better leverage our managing directors and directors.

- **Growing our existing relationships and developing new relationships.** We work hard to maintain and grow our existing client and law firm relationships. The goodwill created from these relationships leads to referrals from satisfied clients and their law firms, which also enables us to secure engagements with new clients.

- **Continuing to promote and deliver an integrated approach to service delivery.** We will continue to utilize our experience with the financial and operational challenges facing our clients to identify and provide additional value-added services as part of an integrated solution. Frequently, a particular engagement is expanded or a new engagement secured with an existing client as a direct result of our quality work for that client.

- **Continuing to build our brand.** We intend to continue to build our reputation and a common identity for the services we provide under the Huron brand name. We believe that using a common brand name and identity for our services enhances our visibility in the marketplace and improves our ability to compete for new business.

- **Expanding our service offerings.** We believe there will be opportunities to expand our current capabilities or broaden the scope of our existing services, and we will evaluate these in response to client and general market demands.

RISKS RELATING TO OUR BUSINESS AND THIS OFFERING

As part of your evaluation of an investment in our common stock, you should take into account the risks to which we are subject. We may be adversely affected by risks related to our business, including, among other things, risks related to our limited operating history, our ability to attract and retain highly skilled individuals, managing the growth of our business, maintaining adequate utilization and suitable billing rates for our consultants, expanding existing and identifying new client relationships, enhancing our reputation and building our brand. In addition, our industry includes a large number of participants and is highly competitive. You should also be aware that there are various risks specific to our common stock, including risks related to, among other things, book value dilution, future potential sales of substantial amounts of our common stock, continuing voting control by our majority stockholder and potential stock price volatility. For more information about these and other risks, see Risk factors beginning on page 11. You should consider carefully these risks before making an investment in our common stock.

BACKGROUND AND CERTAIN TRANSACTIONS

We were founded with equity sponsorship from a group of investors led by Lake Capital Management LLC. For purposes of holding their investment in us, these investors formed HCG Holdings LLC, a

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Delaware limited liability company. HCG Holdings LLC is controlled by Lake Capital Partners LP and Lake Capital Management LLC. The remaining equity interests in HCG Holdings LLC are held by certain other institutional investors, some of our executive officers and other managing directors, each of our board members, a director nominee and approximately 30 other holders. Our executive officers, board members and the director nominee holding interests in HCG Holdings LLC are Gary Holdren, our Chief Executive Officer and a board member, George Massaro, our Chief Operating Officer and a board member, Gary Burge, our Chief Financial Officer, Daniel Broadhurst, our Vice President, and John McCartney, a director nominee. These individuals collectively hold 2.1% of the common interests and 2.3% of the preferred interests in HCG Holdings LLC. Paul Yovovich, whom we expect to add to our board after the consummation of this offering, is president of Lake Capital Management LLC and also has preferred and common interests in HCG Holdings LLC.

HCG Holdings LLC, the selling stockholder, currently owns approximately 94% of our outstanding common stock and all of our outstanding 8% preferred stock and 8% promissory notes. Some of our executive officers, each of our board members and some of our current and former employees own the remaining approximately 6% of our outstanding common stock. On the date of this prospectus, we intend to grant shares of restricted common stock to certain of our executive officers and employees. We also intend to grant to each of our independent directors options exercisable for shares of our common stock, assuming a public offering price of $ per share, the mid-point of the range shown on the cover of this prospectus. These options will have a per share exercise price equal to the public offering price.

After giving effect to this offering (without giving effect to the underwriters over-allotment option) and the issuance of shares of restricted common stock to certain of our executive officers and employees on the date of this prospectus, HCG Holdings LLC will own approximately % of our outstanding common stock. As a result, HCG Holdings LLC will continue to have the power to control all matters submitted to our stockholders for approval after the consummation of this offering.

Upon consummation of this offering, we will use approximately $ million of our net proceeds to redeem the outstanding 8% preferred stock and approximately $ million to repay in full the outstanding 8% promissory notes. We expect that substantially all of the proceeds HCG Holdings LLC receives from (1) the $1.25 million special dividend we intend to pay prior to the consummation of this offering, (2) the sale of the shares being offered by it in this offering, (3) the redemption of the outstanding 8% preferred stock and (4) the repayment by us of the 8% promissory notes will be distributed by HCG Holdings LLC to its members in accordance with its governing documents. Assuming that each of the foregoing transactions occurred on June 15, 2004, this offering was consummated at a public offering price of $ per share, the mid-point of the range shown on the cover of this prospectus, and HCG Holdings LLC distributed the entire amount of its proceeds, Messrs. Holdren, Massaro, Burge, Broadhurst and McCartney would receive in the aggregate $.

See Use of proceeds, Dividend policy Certain relationships and related transactions, Principal and selling stockholders and Description of cap stock for further information.

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The following organizational chart sets forth the corporate structure and ownership of us and of HCG Holdings LLC after giving effect to this offering (without giving effect to the exercise of the underwriters over-allotment option). Our post-offering ownership structure gives effect to the issuance by us of shares of restricted common stock to certain of our executive officers and employees on the date of this prospectus, but does not give effect to shares of common stock issuable upon the exercise of outstanding options, including shares issuable upon the exercise of options to be issued to our independent directors on the date of this prospectus.

(1) The executive officers, board members and the director nominee included in this group are Messrs. Broadhurst, Burge, Holdren, Massaro and McCartney. These individuals collectively hold 2.1% of the common interests and 2.3% of the preferred interests in HCG Holdings LLC. The remaining 3.8% of the common interests and 4.2% of the preferred interests in HCG Holdings LLC held by this group reflects the interests held by certain of our other managing directors.

CORPORATE INFORMATION

We were incorporated in Delaware in March 2002, commenced operations in May 2002 and conduct all of our consulting activities through a wholly-owned subsidiary, Huron Consulting Group LLC. Our headquarters are located at 550 West Van Buren Street, Chicago, Illinois 60607 and our telephone number is (312) 583-8700. Our web site is www.huronconsultinggroup.com. Information contained on our web site is not incorporated by reference into this prospectus. You should not consider information contained on our web site as part of this prospectus.

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The offering

Common stock offered by us	shares
Common stock offered by the selling stockholder	shares
Total	shares
Common stock to be outstanding immediately after this offering	shares
Over-allotment option	shares of common stock to be offered by the selling stockholder if the underwriters exercise the over- allotment option in full.
Proposed NASDAQ National Market symbol	HURN
Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately $ million assuming a public offering price of $ per share, the mid-point of the range shown on the cover of this prospectus. We will not receive any proceeds from the sale of shares by the selling stockholder. We will use approximately $ million of our net proceeds to redeem our outstanding 8% preferred stock and approximately $ million to repay our outstanding 8% promissory notes. All of the outstanding shares of the 8% preferred stock and the aggregate principal amount of the 8% promissory notes are held by our parent, HCG Holdings LLC, which is the selling stockholder in this offering. We intend to use the balance of our net proceeds to pay off any borrowings outstanding under our credit agreement and for other general corporate purposes, including working capital. See Use of proceeds.

The number of shares of our common stock outstanding immediately after this offering is based on the number of shares outstanding at , 2004. This number includes the shares of restricted common stock that we intend to grant to certain of our executive officers and employees on the date of this prospectus, but does not include:

Ø shares of common stock issuable upon the exercise of outstanding stock options issued under our equity incentive plans, with a weighted average exercise price of $ per share;

Ø shares of common stock issuable upon the exercise of options that we intend to grant on the date of this prospectus to our independent directors, with a per share exercise price equal to the public offering price and assuming a public offering price of $ per share, the mid-point of the range shown on the cover of this prospectus; and

Ø shares reserved and available for future grant or issuance under our 2004 Omnibus Stock Plan.

Unless otherwise indicated, all information in this prospectus assumes:

Ø

the issuance of the shares of restricted common stock that we intend to grant to certain of our executive officers and employees on the date of this prospectus;

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- the grant of the options exerciseable for shares of our common stock that we intend to grant to our independent directors on the date of this prospectus;
- a for stock split of our outstanding shares of Class A common stock and Class B common stock, which will be effected prior to the consummation of this offering;
- the conversion of each outstanding share of our Class A common stock into a share of our common stock and of each outstanding share of our Class B common stock into a share of our common stock, which will occur immediately prior to the consummation of this offering pursuant to the terms of our certificate of incorporation; and
- the underwriters do not exercise their over-allotment option, which entitles them to purchase up to additional shares of our common stock from the selling stockholder.

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Summary consolidated financial and other operating data

We have derived the following summary consolidated financial data for the period from March 19, 2002 (inception) to December 31, 2002 and for the year ended December 31, 2003 from our audited consolidated financial statements, except for the pro forma data. We have derived the following summary consolidated financial data for the three months ended March 31, 2003 and 2004 and as of March 31, 2004 from our unaudited interim consolidated financial statements, except for the pro forma data. In the opinion of management, this information contains all adjustments, consisting only of normal recurring accruals, necessary for a fair presentation of our results of operations and financial position for such periods. The summary information set forth below is not necessarily indicative of the results of future operations and should be read in conjunction with Selected consolidated financial and other operating data, Management s discussion and analysis of financial condition and results of operations and the consolidated financial statements and related notes included elsewhere in this prospectus.

The pro forma balance sheet data gives effect to the following transactions as if each had occurred on March 31, 2004:

Ø the payment of a special dividend on each outstanding share of our common stock and 8% preferred stock on an as converted basis in an aggregate amount of $1.25 million, or $ per share of common stock and $ per share of 8% preferred stock, which was declared on May 12, 2004 and will be paid prior to the consummation of this offering; and

Ø the issuance of shares of restricted common stock to certain of our executive officers and employees on the date of this prospectus.

The pro forma as adjusted balance sheet data gives effect to the foregoing transactions as well as the following transactions as if each had occurred on March 31, 2004:

Ø the sale by us of shares of our common stock in this offering at an assumed public offering price of $ per share, the mid-point of the range shown on the cover of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us;

Ø the use of approximately $ million of our estimated net proceeds to redeem our outstanding 8% preferred stock; and

Ø the use of approximately $ million of our estimated net proceeds to repay our outstanding 8% promissory notes.

For further information regarding the redemption of our 8% preferred stock and the repayment of our 8% promissory notes, see the section of this prospectus entitled Use of proceeds.

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Consolidated statements of operations data:	March 19, 2002 (inception) to December 31, 2002	Year ended December 31, 2003	Three months ended March 31, 2003	Three months ended March 31, 2004
			(unaudited)	
	(in thousands, except per share and other operating data)			
Revenues and reimbursable expenses:				
Revenues	$ 35,101	$ 101,486	$ 23,212	$ 40,101
Reimbursable expenses	2,921	8,808	2,069	3,443
Total revenues and reimbursable expenses	38,022	110,294	25,281	43,544
Direct costs and reimbursable expenses:				
Direct costs	26,055	69,401	13,581	24,868
Reimbursable expenses	2,921	8,929	2,069	3,523
Total direct costs and reimbursable expenses	28,976	78,330	15,650	28,391
Gross profit	9,046	31,964	9,631	15,153
Operating expenses:				
Selling, general and administrative expenses	8,813	25,185	4,826	8,158
Depreciation and amortization expense	3,048	5,328	1,290	603
Other operating expenses(1)	3,715	1,668		2,139
Total operating expenses	15,576	32,181	6,116	10,900
Operating (loss) income	(6,530)	(217)	3,515	4,253
Other expense:				
Interest expense	332	856	198	245
Other	1	112	1	
Total other expense	333	968	199	245
(Loss) income before (benefit) provision for income taxes	(6,863)	(1,185)	3,316	4,008
(Benefit) provision for income taxes	(2,697)	(122)	1,375	1,661
Net (loss) income	(4,166)	(1,063)	1,941	2,347
Accrued dividends on 8% preferred stock	646	1,066	253	273
Net (loss) income attributable to common stockholders	$ (4,812)	$ (2,129)	$ 1,688	$ 2,074
Net (loss) income attributable to common stockholders per share:				
Basic	$ (0.18)	$ (0.08)	$ 0.01	$ 0.05
Diluted	$ (0.18)	$ (0.08)	$ 0.01	$ 0.05
Weighted average shares used in calculating net (loss) income attributable to common stockholders per share:				
Basic	27,147	27,303	27,147	27,540
Diluted	27,147	27,303	27,147	29,319
Unaudited pro forma net (loss) income attributable to common stockholders(2)		$ (580)		$ 2,464
Unaudited pro forma net (loss) income attributable to common stockholders per share(2):				
Basic		$		$
Diluted		$		$
Unaudited pro forma weighted average shares outstanding used in calculating net (loss) income attributable to common stockholders per share(3):				

Basic				
Diluted				

Other operating data (unaudited):

Number of consultants (at end of period)(4)	262	477	294	483
Utilization rate(5)	57.3%	66.1%	75.8%	73.4%
Average billing rate per hour(6)	$ 206	$ 217	$ 228	$ 229

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Consolidated balance sheet data:	As of March 31, 2004 Actual	Pro forma	Pro forma as adjusted
		(unaudited) (in thousands)	
Cash and cash equivalents	$ 70		
Working capital	13,073		
Total assets	42,542		
Long-term debt (consisting of 8% promissory notes)	10,076		
Total 8% preferred stock	14,485		
Total stockholders (deficit) equity	(4,536)		

(1) Other operating expenses consist of management and advisory fees paid to related parties and organizational costs totaling $3,715 for the period from March 19, 2002 (inception) to December 31, 2002, a loss on lease abandonment of $1,668 for the year ended December 31, 2003 and a restructuring charge of $2,139 for the three months ended March 31, 2004.

(2) The total pro forma adjustments to net (loss) income attributable to common stockholders are approximately $1,549 and $390 for the year ended December 31, 2003 and the three months ended March 31, 2004, respectively. The adjustments consist of an adjustment of approximately $1,066 and $273 for the year ended December 31, 2003 and the three months ended March 31, 2004, respectively, to eliminate the accrued preferred stock dividends associated with our outstanding 8% preferred stock and an adjustment of approximately $483 and $117 for the year ended December 31, 2003 and the three months ended March 31, 2004, respectively, to eliminate the interest expense, net of tax expense, related to our outstanding 8% promissory notes. We will redeem the 8% preferred stock and repay the 8% promissory notes with a portion of the net proceeds from this offering as discussed in the section of this prospectus entitled Use of proceeds.

(3) The pro forma weighted average shares outstanding represents (1) an increase of and weighted average shares as of December 31, 2003 and March 31, 2004, respectively, related to the issuance of shares that would have been issued by us in this offering, based on an assumed public offering price of $ per share, the mid-point of the range shown on the cover of this prospectus, less estimated underwriting discounts and commissions and offering expenses payable by us, in order to pay the $1.25 million special dividend, redeem our outstanding 8% preferred stock (including the liquidation participation amount), and repay our outstanding 8% promissory notes and (2) an increase of weighted average shares as of March 31, 2004 in order to repay the borrowings under our credit agreement at March 31, 2004, as if these transactions occurred at the beginning of each period. See Use of Proceeds. The pro forma weighted average shares outstanding also includes the issuance of shares of restricted common stock as of December 31, 2003 and March 31, 2004 as if this issuance also occurred at the beginning of each period. We intend to issue these shares of restricted common stock to certain of our executive officers and employees on the date of this prospectus.

(4) Consultants consist of our billable professionals.

(5) We calculate the utilization rate for our consultants by dividing the number of hours all of our consultants worked on client assignments during a period by the total available working hours for all of our consultants during the same period, assuming a forty-hour work week, less paid holidays and vacation days.

(6) Average billing rate per hour is calculated by dividing revenues for a period by the number of hours worked on client assignments during the same period.

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Risk factors

Investing in our common stock involves a high degree of risk. You should carefully consider the risks below before making an investment decision. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. In such an event, the trading price of our common stock could decline, and you may lose all or part of your investment.

RISKS RELATED TO OUR BUSINESS

Our inability to retain our senior management team and other managing directors would be detrimental to the success of our business.

We rely heavily on our senior management team, including Gary Holdren, our Chief Executive Officer, and George Massaro, our Chief Operating Officer, and other managing directors, and our ability to retain them is particularly important to our future success. Given the highly specialized nature of our services, these people must have a thorough understanding of our service offerings as well as the skills and experience necessary to manage an organization consisting of a diverse group of professionals. In addition, we rely on our senior management team and other managing directors to generate and market our business. Further, in light of our limited operating history, our senior management s and other managing directors personal reputations and relationships with our clients are a critical element in obtaining and maintaining client engagements. Although we enter into non-solicitation agreements with our senior management team and other managing directors, we do not enter into non-competition agreements. Accordingly, members of our senior management team and our other managing directors are not contractually prohibited from leaving or joining one of our competitors, and some of our clients could choose to use the services of that competitor instead of our services. If one or more members of our senior management team or our other managing directors leave and we cannot replace them with a suitable candidate quickly, we could experience difficulty in securing and successfully completing engagements and managing our business properly, which could harm our business prospects and results of operations.

Our senior management team and our other managing directors will receive substantial financial benefits as a result of this offering, which may reduce the financial incentive for them to stay with us.

Our senior management team and our other managing directors hold stock options that have partially vested, and these options will fully vest over the next four years, including, in some cases, upon consummation of this offering. These options have exercise prices ranging from $ to $ per share. An individual may be more likely to leave us after their options fully vest, especially if the shares underlying the options have significantly appreciated in value relative to the option exercise price. While we intend to grant additional stock-based awards to our senior management team and other managing directors to provide additional incentives to remain employed by us, the number of options that they have already been granted are likely much larger than any follow-on grants that we may make. In addition, Mr. Holdren, our Chief Executive Officer, holds shares of restricted common stock that he purchased for $ per share that will fully vest upon consummation of this offering. On the date of this prospectus, we intend to grant shares of restricted common stock to certain of our executive officers and employees. The restricted shares will vest over a four year period, with 25% vesting on each anniversary of the grant date during that period. We also intend to grant to each of our independent directors options exercisable for shares of our common stock, assuming a public offering price of $ per share, the mid-point of the range shown on the cover of this prospectus. These options will have a per share exercise price equal to the public offering price. One-third of these options will vest on the grant date and one-third will vest on each of the next two annual meetings.

In addition, some of our executive officers and other managing directors, each of our board members and a director nominee are members of HCG Holdings LLC and collectively hold 5.9% of the common interests and 6.5% of the preferred interests in HCG Holdings LLC. These individuals will also realize a financial benefit if HCG Holdings LLC makes a distribution to its members of the proceeds it receives from (1) the special dividend that will be paid prior to the consummation of this offering, (2) the sale of the shares being offered by it in this offering, (3) the redemption of the 8% preferred stock and (4) the repayment of the 8% promissory notes held by HCG Holdings LLC. If any of the above-described individuals realize substantial financial benefits as a result of their securities ownership in us or HCG Holdings LLC, their financial incentive to stay with us may be reduced.

Our inability to hire and retain talented people in an industry where there is great competition for talent could have a serious negative effect on our prospects and results of operations.

Our business involves the delivery of professional services and is highly labor-intensive. Our success depends largely on our general ability to attract, develop, motivate and retain highly skilled consultants. The loss of a significant number of our consultants or the inability to attract, hire, develop, train and retain additional skilled personnel could have a serious negative effect on us, including our ability to manage, staff and successfully complete our existing engagements and obtain new engagements. Qualified consultants are in great demand, and we face significant competition for both senior and junior consultants with the requisite credentials and experience. Our principal competition for talent comes from other consulting firms, accounting firms and technical and economic advisory firms, as well as from organizations seeking to staff their internal professional positions. Many of these competitors may be able to offer significantly greater compensation and benefits or more attractive lifestyle choices, career paths or geographic locations than we do. Therefore, we may not be successful in attracting and retaining the skilled consultants we require to conduct and expand our operations successfully. Increasing competition for these consultants may also significantly increase our labor costs, which could negatively affect our margins and results of operations.

We have experienced net losses for most of our history, and our limited operating history makes evaluating our business difficult.

We have been operating since May 2002. For the period from March 19, 2002 (inception) through December 31, 2002 and for the year ended December 31, 2003, we experienced net losses of $4.2 million and $1.1 million, respectively. Although we generated net income of $2.3 million for the three months ended March 31, 2004, we may not sustain profitability in the future. For example, we generated net income of $1.9 million for the three months ended March 31, 2003, but experienced a net loss for the year ended December 31, 2003. Our net losses, among other things, have had, and should net losses occur in the future, will have, an adverse effect on our stockholders equity and working capital. As of March 31, 2004, we had a total stockholders deficit of $4.5 million. To sustain profitability, we must:

- attract, integrate, retain and motivate highly qualified consultants;
- maintain and enhance our brand recognition;
- expand our existing relationships with our clients and identify new clients in need of our services; and
- adapt to meet changes in our markets and competitive developments.

We may not be successful in accomplishing these objectives. Further, our limited operating history makes it difficult to evaluate our business and prospects. Our prospects must be considered in light of the risks, uncertainties, expenses and difficulties frequently encountered by companies in their early stages of development, particularly companies in highly competitive industries. The historical information in this prospectus may not be indicative of our future financial condition and future performance. For example, we expect that our future annual growth rate in revenues will moderate and likely be less than the growth rates experienced in 2003 and the first quarter of 2004.

If we are unable to manage the growth of our business successfully, we may not be able to sustain profitability.

We have grown significantly since we commenced operations, more than doubling the number of our consultants from 213 on May 31, 2002 to 483 as of March 31, 2004. As we continue to increase the number of our consultants, we may not be able to successfully manage a significantly larger workforce. Additionally, our significant growth has placed demands on our management and our internal systems, procedures and controls and will continue to do so in the future. To successfully manage growth, we must add administrative staff and periodically update and strengthen our operating, financial, accounting and other systems, procedures and controls, which will increase our costs and may adversely affect our gross profits and our ability to sustain profitability if we do not generate increased revenues to offset the costs. This need to augment our support infrastructure due to growth is compounded by our decision to become a public reporting company and the increased expense that will arise in complying with existing and new regulatory requirements. As a public company, our information and control systems must enable us to prepare accurate and timely financial information and other required disclosure. If we discover deficiencies in our existing information and control systems that impede our ability to satisfy our reporting requirements, we must successfully implement improvements to those systems in an efficient and timely manner.

Our financial results could suffer if we are unable to achieve or maintain adequate utilization and suitable billing rates for our consultants.

Our profitability depends to a large extent on the utilization and billing rates of our consultants. Utilization of our consultants is affected by a number of factors, including:

- Ø the number and size of client engagements;
- Ø the timing of the commencement, completion and termination of engagements, which in many cases is unpredictable;
- Ø our ability to transition our consultants efficiently from completed engagements to new engagements;
- Ø the hiring of additional consultants because there is generally a transition period for new consultants that results in a temporary drop in our utilization rate;
- Ø unanticipated changes in the scope of client engagements;
- Ø our ability to forecast demand for our services and thereby maintain an appropriate level of consultants; and
- Ø conditions affecting the industries in which we practice as well as general economic conditions.

The billing rates of our consultants that we are able to charge are also affected by a number of factors, including:

- Ø our clients perception of our ability to add value through our services;
- Ø the market demand for the services we provide;
- Ø introduction of new services by us or our competitors;
- Ø our competition and the pricing policies of our competitors; and
- Ø general economic conditions.

If we are unable to achieve and maintain adequate utilization as well as maintain or increase the billing rates for our consultants, our financial results could materially suffer.

A significant portion of our revenues are derived from a limited number of clients, and our engagement agreements, including those related to our largest clients, can be terminated by our clients with little or no notice and without penalty, which may cause our operating results to be unpredictable.

As a consulting firm, we have derived, and expect to continue to derive, a significant portion of our revenues from a limited number of clients. Our ten largest clients accounted for 36.3% of our revenues in the partial year ended December 31, 2002, 32.1% of our revenues in the year ended December 31, 2003 and 30.9% of our revenues in the three months ended March 31, 2004. Our clients typically retain us on an engagement-by-engagement basis, rather than under fixed-term contracts, and the volume of work performed for any particular client is likely to vary from year to year, and a major client in one fiscal period may not require or decide to use our services in any subsequent fiscal period. Accordingly, the failure to obtain new large engagements or multiple engagements from existing or new clients could have a material adverse effect on the amount of revenues we generate.

In addition, almost all of our engagement agreements can be terminated by our clients with little or no notice and without penalty. For example, in engagements related to litigation, if the litigation were to be settled, our engagement for those services would no longer be necessary and therefore would be terminated. In client engagements that involve multiple engagements or stages, there is a risk that a client may choose not to retain us for additional stages of an engagement or that a client will cancel or delay additional planned engagements. These terminations, cancellations or delays could result from factors unrelated to our services or the progress of the engagement. When engagements are terminated, we lose the associated future revenues, and we may not be able to recover associated costs or redeploy the affected employees in a timely manner to minimize the negative impact. In addition, our clients ability to terminate engagements with little or no notice and without penalty makes it difficult to predict our operating results in any particular fiscal period.

Our ability to maintain and attract new business depends upon our reputation, the professional reputation of our consultants and the quality of our services.

As a professional services firm, our ability to secure new engagements depends heavily upon our reputation and the individual reputations of our consultants. Any factor that diminishes our reputation or that of our consultants, including not meeting client expectations or misconduct by our consultants, could make it substantially more difficult for us to attract new engagements and clients. Similarly, because we obtain many of our new engagements from former or current clients or from referrals by those clients or by law firms that we have worked with in the past, any client that questions the quality of our work or that of our consultants could impair our ability to secure additional new engagements and clients.

The consulting services industry is highly competitive, and we may not be able to compete effectively.

The consulting services industry in which we operate includes a large number of participants and is intensely competitive. We face competition from other business operations and financial consulting firms, general management consulting firms, the consulting practices of major accounting firms, technical and economic advisory firms, regional and specialty consulting firms and the internal professional resources of organizations. In addition, because there are relatively low barriers to entry, we expect to continue to face additional competition from new entrants into the business operations and financial consulting industries. We have six core offices and two smaller offices in the United States and do not have any international offices. Many of our competitors have a greater national presence and are also international

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in scope, as well as have significantly greater personnel, financial, technical and marketing resources. In addition, these competitors may generate greater revenues and have greater name recognition than we do. Our ability to compete also depends in part on the ability of our competitors to hire, retain and motivate skilled consultants, the price at which others offer comparable services and our competitors responsiveness to their clients. If we are unable to compete successfully with our existing competitors or with any new competitors, our financial results will be adversely affected.

Additional hiring and any acquisitions could disrupt our operations, increase our costs or otherwise harm our business.

Our business strategy is dependent in part upon our ability to grow by hiring individuals or groups of consultants and by potentially acquiring complementary businesses. However, we may be unable to identify, hire, acquire or successfully integrate new consultants and complementary businesses without substantial expense, delay or other operational or financial problems. Competition for future hiring and acquisition opportunities in our markets could increase the compensation we offer to potential consultants or the price we pay for businesses we wish to acquire. In addition, we may be unable to achieve the financial, operational and other benefits we anticipate from any hiring or acquisition. Hiring additional consultants or acquiring complementary businesses could also involve a number of additional risks, including:

Ø the diversion of management s time, attention and resources from managing and marketing our company;

Ø the failure to retain key acquired personnel;

Ø potential impairment of existing relationships with our clients, such as client satisfaction or performance problems, whether as a result of integration or management difficulties or otherwise;

Ø the creation of conflicts of interest that require us to decline or resign from engagements that we otherwise could have accepted;

Ø the potential need to raise significant amounts of capital to finance a transaction or the potential issuance of equity securities that could be dilutive to our existing stockholders;

Ø increased costs to improve, coordinate or integrate managerial, operational, financial and administrative systems; and

Ø difficulties in integrating diverse backgrounds and experiences of consultants, including if we experience a transition period for newly hired consultants that results in a temporary drop in our utilization rates or margins.

If we fail to successfully address these risks, our ability to compete may be impaired.

If the number of large bankruptcies or other factors affecting demand for our corporate advisory services declines, our revenues and profitability could suffer.

Our corporate advisory services practice provides various turnaround, restructuring and bankruptcy services to companies in financial distress or their creditors or other stakeholders. This practice accounted for 30.7% and 27.1% of our revenues for the year ended December 31, 2003 and three months ended March 31, 2004, respectively. We are typically engaged in connection with a bankruptcy case when the bankruptcy is of the size and complexity that generally requires the debtor or other constituents to retain the services of financial advisors. A number of other factors also affect demand for this practice. These factors include:

Ø over-expansion by various businesses;

Ø management s inability to address critical operational and financial issues;

- Ø the level of lending activity and over-leveraging of companies; and
- Ø challenging general economic conditions in the United States, which have benefited our corporate advisory services practice since we commenced operations.

If demand for our corporate advisory services decreases, the revenues from our turnaround, restructuring and bankruptcy services could decline, which could harm our ability to sustain profitability.

The profitability of our fixed-fee engagements with clients may not meet our expectations if we underestimate the cost of these engagements.

Fixed-fee engagements generated approximately 11.9% and 15.6% of our revenues for the year ended December 31, 2003 and the three months ended March 31, 2004, respectively. When making proposals for fixed-fee engagements, we estimate the costs and timing for completing the engagements. These estimates reflect our best judgment regarding the efficiencies of our methodologies and consultants as we plan to deploy them on engagements. Any increased or unexpected costs or unanticipated delays in connection with the performance of fixed-fee engagements, including delays caused by factors outside our control, could make these contracts less profitable or unprofitable, which would have an adverse effect on our profit margin.

Revenues from our performance-based engagements are difficult to predict, and the timing and extent of recovery of our costs is uncertain.

From time to time, primarily in our corporate advisory services and strategic sourcing practices, we enter into engagement agreements under which our fees include a significant performance-based component. Performance-based fees are contingent on the achievement of specific measures, such as our clients meeting cost-saving or other contractually defined goals. The achievement of these contractually-defined goals is often impacted by factors outside of our control, such as the actions of our client or third parties. Because performance-based fees are contingent, revenues on such engagements, which are recognized when all revenue recognition criteria are met, are not certain and the timing of receipt is difficult to predict and may not occur evenly throughout the year. While performance-based fees comprised 3.3% and 5.6% of our revenues for the year ended December 31, 2003 and the three months ended March 31, 2004, respectively, we intend to continue to enter into performance-based fee arrangements and these engagements may impact our revenues to a greater extent in the future. Should performance-based fee arrangements represent a greater percentage of our business in the future, we may experience increased volatility in our working capital requirements and greater variations in our quarter-to-quarter results, which could affect the price of our common stock. In addition, an increase in the proportion of performance-based fee arrangements may offset the positive effect on our operating results from increases in our utilization rate or average billing rate per hour.

Conflicts of interest could preclude us from accepting engagements thereby causing decreased utilization and revenues.

We provide services in connection with bankruptcy proceedings and litigation proceedings that usually involve sensitive client information and frequently are adversarial. In connection with bankruptcy proceedings, we are required by law to be disinterested and in litigation we would generally be prohibited from performing services in the same litigation for the party adverse to our client. In addition, our engagement agreement with a client or other business reasons may preclude us from accepting engagements with our clients competitors or adversaries. As we increase the size of our operations, the number of conflict situations can be expected to increase. Moreover, in many industries in which we provide services, there has been a continuing trend toward business consolidations and strategic alliances. These consolidations and alliances reduce the number of companies that may seek our services and increase the chances that we will be unable to accept new engagements as a result of conflicts of interest.

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Risk factors

If we are unable to accept new engagements for any reason, our consultants may become underutilized, which would adversely affect our revenues and results of operations in future periods.

Expanding our service offerings or number of offices may not be profitable.

We may choose to develop new service offerings or open new offices because of market opportunities or client demands. Developing new service offerings involves inherent risks, including:

Ø our inability to estimate demand for the new service offerings;

Ø competition from more established market participants;

Ø a lack of market understanding; and

Ø unanticipated expenses to recruit and hire qualified consultants and to market our new service offerings.

In addition, expanding into new geographic areas and/or expanding current service offerings is challenging and may require integrating new employees into our culture as well as assessing the demand in the applicable market. For example, in August 2003, we established a small office in Palo Alto, California to service the Silcon Valley marketplace and, in September 2003, we established a small office in Miami, Florida to deepen our corporate finance capabilities. These offices did not meet our expectations and, therefore, we subsequently closed those offices and incurred a restructuring charge of $2.1 million in the three months ended March 31, 2004. If we cannot manage the risks associated with new service offerings or new locations effectively, we are unlikely to be successful in these efforts, which could harm our ability to sustain profitability and our business prospects.

Our engagements could result in professional liability, which could be very costly and hurt our reputation.

Our engagements typically involve complex analyses and the exercise of professional judgment. As a result, we are subject to the risk of professional liability. If a client questions the quality of our work, the client could threaten or bring a lawsuit to recover damages or contest its obligation to pay our fees. Litigation alleging that we performed negligently or breached any other obligations to a client could expose us to significant legal liabilities and, regardless of outcome, is often very costly, could distract our management and could damage our reputation. We are not always able to include provisions in our engagement agreements that are designed to limit our exposure to legal claims relating to our services. Even if these limiting provisions are included in an engagement agreement, they may not protect us or may not be enforceable under some circumstances. In addition, we carry professional liability insurance to cover many of these types of claims, but the policy limits and the breadth of coverage may be inadequate to cover any particular claim or all claims plus the cost of legal defense. For example, we provide services on engagements in which the impact on a client may substantially exceed the limits of our errors and omissions insurance coverage. If we are found to have professional liability with respect to work performed on such an engagement, we may not have sufficient insurance to cover the entire liability.

Our intellectual property rights in our Huron Consulting Group name are important, and any inability to use that name could negatively impact our ability to build brand identity.

We believe that establishing, maintaining and enhancing the Huron Consulting Group name is important to our business. We are, however, aware of a number of other companies that use names containing Huron. There could be potential trade name or service mark infringement claims brought against us by the users of these similar names and marks and those users may have trade name or service

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mark rights that are senior to ours. If another company were to successfully challenge our right to use our name, or if we were unable to prevent a competitor from using a name that is similar to our name, our ability to build brand identity could be negatively impacted.

We or some of our consultants could be named in lawsuits because we were founded by former Arthur Andersen LLP partners and professionals and contracted with Arthur Andersen for releases from non-competition agreements.

We were founded by a core group of consultants that consisted primarily of former Arthur Andersen LLP partners and professionals, and we entered into a contract with Arthur Andersen to release these partners and professionals from non-competition agreements with Arthur Andersen. These circumstances might lead creditors of Arthur Andersen and other parties to bring claims against us or some of our managing directors or other consultants seeking recoveries for liabilities of Arthur Andersen and we may not be able to successfully avoid liability for such claims. In addition, litigation of this nature or otherwise could divert the time and attention of our managing directors and consultants, and we could incur substantial defense costs.

As a holding company, we are totally dependent on distributions from our operating subsidiary to pay dividends or other obligations and there may also be other restrictions on our ability to pay dividends in the future.

We are a holding company with no business operations. Our only significant asset is the outstanding equity interest of our wholly-owned operating subsidiary. As a result, we must rely on payments from our subsidiary to meet our obligations. We currently expect that the earnings and cash flow of our subsidiary will primarily be retained and used by it in its operations, including servicing any debt obligations it may have now or in the future. Accordingly, although we do not anticipate paying any dividends in the foreseeable future other than the special dividend of $1.25 million that we declared on

May 12, 2004 and intend to pay prior to the consummation of this offering, our subsidiary may not be able to generate sufficient cash flow to distribute funds to us in order to allow us to pay future dividends on, or make any distribution with respect to, our common stock. Our future credit facilities, other future debt obligations and statutory provisions may also limit our ability to pay dividends or make any distribution in respect of our common stock.

RISKS ASSOCIATED WITH PURCHASING OUR COMMON STOCK IN THIS OFFERING

As a new investor, you will incur immediate and substantial dilution.

If you purchase shares of our common stock in this offering, you will experience an immediate and substantial dilution of $ in pro forma net tangible book value per share of your investment as described in the section of this prospectus entitled Dilution. This means that the price you pay for the shares you acquire in this offering will be significantly higher than their net tangible book value per share. If we issue additional shares of common stock in the future, you may experience further dilution in the net tangible book value of your shares. Likewise, you will incur additional dilution if the holders of outstanding options to purchase shares of our common stock at prices below our net tangible book value per share exercise their options after this offering. As of March 31, 2004, there were shares of common stock issuable upon the exercise of outstanding stock options, with a weighted average exercise price of $ per share.

Sales of a substantial number of shares of our common stock following this offering may adversely affect the market price of our common stock, and the issuance of additional shares will dilute all other stockholdings.

Sales of a substantial number of shares of our common stock in the public market following this offering, or the perception that large sales could occur, could cause the market price of our common stock to

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decline or limit our future ability to raise capital through an offering of equity securities. After completion of this offering, there will be shares of our common stock outstanding. All of the shares of common stock sold in this offering will be freely tradable without restriction or further registration under the federal securities laws unless purchased by our affiliates within the meaning of Rule 144 under the Securities Act. of the remaining shares of outstanding common stock, representing approximately % of the outstanding common stock upon completion of this offering, will be restricted securities under the Securities Act, subject to restrictions on the timing, manner and volume of sales of those shares. Upon consummation of this offering, HCG Holdings LLC and Gary E. Holdren will be entitled to certain registration rights with respect to restricted securities. In addition, our certificate of incorporation permits the issuance of up to shares of common stock. After this offering, we estimate that we will have an aggregate of approximately shares of our common stock authorized but unissued. Thus, we have the ability to issue substantial amounts of common stock in the future, which would dilute the percentage ownership held by the investors who purchase our shares in this offering.

The company, each member of our board of directors, each of our director nominees, each of our executive officers and managing directors and the selling stockholder have agreed for a period of at least 180 days after the date of this prospectus, to not, without the prior written consent of UBS Securities LLC and Deutsche Bank Securities Inc., directly or indirectly, offer to sell, sell, pledge or otherwise dispose of any shares of our common stock, subject to certain permitted exceptions. Following the expiration of the lock-up period, shares of common stock subject to these agreements will be available for sale in the public market, subject to the vesting of the restricted common stock and the restrictions on sales of restricted securities under the Securities Act.

Following the effectiveness of the registration statement of which this prospectus forms a part, we intend to file a registration statement on Form S-8 under the Securities Act covering shares reserved for issuance under our equity incentive compensation plans. Accordingly, subject to applicable vesting requirements and exercise with respect to options, the provisions of Rule 144 with respect to affiliates and, if applicable, expiration of the 180-day lock-up agreements, shares registered under that registration statement will be available for sale in the open market. As soon as practicable following the filing of the Form S-8 registration statement, we intend to grant shares of restricted common stock to certain of our executive officers and employees.

For a more detailed description of additional shares that may be sold in the future, see the sections of this prospectus captioned Shares eligible for future sale and Underwriting.

Because HCG Holdings LLC will have the ability to continue to control us after this offering, the influence of our public stockholders over significant corporate actions will be limited.

After the completion of this offering, HCG Holdings LLC will control approximately % of our outstanding common stock, or approximately % if the underwriters exercise their over-allotment option in full. As a result, after this offering, HCG Holdings LLC will continue to have the power to control all matters submitted to our stockholders, including the election of our directors and amendments to our certificate of incorporation, and will have the ability to approve or prevent any transaction that requires the approval of stockholders regardless of whether or not other stockholders believe that any such transactions are in their own best interests. So long as HCG Holdings LLC continues to own a significant amount of the outstanding shares of our common stock, it will continue to be able to strongly influence or effectively control our decisions.

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Risk factors

Conflicts of interests between HCG Holdings LLC and us or you could arise in the future.

Conflicts of interests between HCG Holdings LLC and us or you could arise in the future, and these conflicts may not be resolved in our or your favor. For instance, Lake Capital Partners LP and its affiliates, which control HCG Holdings LLC, are in the business of making investments in companies and have, and may from time to time acquire and hold, interests in businesses that compete directly or indirectly with us. These entities may also pursue acquisition opportunities that may be complementary to our business, and as a result, those acquisition opportunities may not be available to us. In addition, HCG Holdings LLC, through its significant ownership interest in us, may seek to cause us to take courses of action that, in its judgment, could enhance its investment in us, but which might involve risks to, or otherwise adversely affect, us or you.

In addition, after this offering, some of our executive officers and managing directors and a number of our board members will continue to be members of and hold equity interests in HCG Holdings LLC. These relationships with HCG Holdings LLC could create, or appear to create, potential conflicts of interests when these individuals are faced with decisions that could have different implications for our company and HCG Holdings LLC.

Our common stock does not have a trading history, and you may not be able to trade our common stock if an active trading market does not develop.

Prior to this offering, there has been no public market for our common stock. We have applied for quotation of our common stock on the NASDAQ National Market under the symbol HURN. Although the underwriters have informed us that they intend to make a market in our common stock, they are not obligated to do so, and any market-making may be discontinued at any time without notice. Therefore, an active trading market for our common stock may not develop or, if it does develop, may not continue. As a result, the market price of our common stock, as well as your ability to sell our common stock, could be adversely affected.

The value of your investment may be subject to sudden decreases due to the potential volatility of the price of our common stock.

The market price of our common stock may be highly volatile and subject to wide fluctuations in response to numerous factors, including the factors discussed in other risk factors, which could also cause variations in our quarterly results of operations, and the following factors:

Ø press releases or publicity relating to us or our competitors or relating to trends in the industry;

Ø changes in the legal or regulatory environment affecting businesses to which we provide services;

Ø changes in expectations as to our future financial performance, including financial estimates by securities analysts and investors;

Ø the operating and stock performance of other companies that investors may deem comparable;

- Ø inability to meet quarterly or annual estimates or targets of our performance; and

- Ø general domestic or international economic, market and political conditions.

These factors may adversely affect the trading price of our common stock, regardless of our actual operating performance, and could prevent you from selling your common stock at or above the initial public offering price. In addition, the stock markets from time to time experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of companies.

In the past, some stockholders have brought securities class action lawsuits against companies following periods of volatility in the market price of their securities. We may in the future be the target of similar litigation. Securities litigation, regardless of whether we are ultimately successful, could result in substantial costs and divert management s attention and resources.

Provisions of our certificate of incorporation, our bylaws and Delaware law could delay or prevent a takeover of us by a third party.

Our certificate of incorporation and bylaws and Delaware law could delay, defer or prevent a third party from acquiring us, despite the possible benefit to our stockholders, or otherwise adversely affect the price of our common stock. For example, our charter and bylaws will:

- permit our board of directors to issue one or more series of preferred stock with rights and preferences designated by our board;
- stagger the terms of our board of directors into three classes;
- limit the ability of stockholders to remove directors;
- prohibit stockholders from filling vacancies on our board of directors;
- prohibit stockholders from calling special meetings of stockholders and from taking action by written consent;
- impose advance notice requirements for stockholder proposals and nominations of directors to be considered at stockholder meetings;
- require the approval of not less than two-thirds of the voting power of all of the shares of our capital stock entitled to vote, voting together as a single class, to amend any provision of our charter described in the second through sixth bullet points above; and
- grant our board of directors the authority to amend and repeal our bylaws without a stockholder vote and require the approval of at least two-thirds of the voting power of all of the shares of our capital stock entitled to vote generally in the election of directors, voting together as a single class, for stockholders to amend or repeal our bylaws.

These provisions may discourage potential takeover attempts, discourage bids for our common stock at a premium over market price or adversely affect the market price of, and the voting and other rights of the holders of, our common stock. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors other than the candidates nominated by our board. See Description of capital stock for additional information on the anti-takeover measures applicable to us.

We do not anticipate paying any dividends following the consummation of this offering.

Following the consummation of this offering, we currently expect that we will retain our future earnings, if any, for use in the operation and expansion of our business, and we do not anticipate paying any cash dividends. As a result, our stock may be less attractive to investors who seek dividend payments.

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Special note regarding forward-looking statements

Some of the statements under Prospectus summary, Risk factors, Management s discussion and analysis of financial condition and results of operations, Business and elsewhere in this prospectus constitute forward-looking statements that reflect our current expectation about our future results, levels of activity, performance or achievements. In some cases, you can identify forward-looking statements by terminology such as may, will, should, could, expects, plans, intends, anticipates, believes, estimates, predicts, potential or continue or th other comparable terminology. These statements involve known and unknown risks, uncertainties and other factors, including, among others, those described under Risk factors and elsewhere in this prospectus, that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Therefore, you should not place undue reliance on our forward-looking statements. Except to the extent required by applicable securities laws, we are under no duty and do not intend to update any of the forward-looking statements after the date of this prospectus.

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Use of proceeds

We estimate that the net proceeds that we will receive from our sale of shares of common stock in this offering will be $ million, assuming a public offering price of $ per share, the mid-point of the range shown on the cover of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares by the selling stockholder.

Upon the consummation of this offering, we will use approximately $ million of our net proceeds from this offering to exercise our option to redeem our outstanding 8% preferred stock. The redemption amount of the 8% preferred stock is equal to the original issuance price of $1,000 per share plus cumulative dividends that will have accrued on a daily basis from the date of investment through the date of this prospectus at a rate of 8% per annum, compounded annually, together with a liquidation participation amount. The liquidation participation amount is calculated as if we were liquidated on the date of this prospectus and the excess of our assets over our liabilities (with the liabilities including, for purposes of this calculation, the aggregate stated value of all outstanding shares of preferred stock and all accrued and unpaid interest) were distributed on a share for share basis among the holders of preferred stock and common stock.

We will also use approximately $ million of our net proceeds to repay our outstanding 8% promissory notes, including accrued and unpaid interest, and repay any borrowings outstanding under our credit agreement at the time of the consummation of this offering. The 8% promissory notes were issued at various times in 2002 and mature five years and six months from the date of issuance, subject to mandatory prepayment upon the occurrence of specified events, including the consummation of this offering. Interest on the promissory notes, which is payable annually, accrues at a rate of 8% per year. Borrowings under the credit agreement, which totaled $1.5 million as of March 31, 2004, bear interest at either the prime rate or LIBOR plus 2.75% and are secured by substantially all of our assets. Borrowings under the credit agreement are payable at the expiration of the agreement in February 2005, subject to our compliance with a covenant that requires that we have an uninterrupted 30-day period each year with no loans outstanding.

HCG Holdings LLC, the selling stockholder, currently owns approximately 94% of our common stock and all of our outstanding 8% preferred stock and 8% promissory notes. HCG Holdings LLC is controlled by Lake Capital Partners LP and Lake Capital Management LLC. The remaining equity interests in HCG Holdings LLC are held by certain institutional investors, some of our executive officers and other managing directors, each of our board members, a director nominee and approximately 30 other holders.

200 See Principal Occupation Description David J. Kundert
c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL 60606
(10/28/42) Board Member

Term: Annual or Class II Board Member until 2011

Length of Service: Since 2005
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; member of Investment Committee, Greater

Milwaukee Foundation.	200	See Principal Occupation Description

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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 Director-ships Held by Board Member
William J. Schneider c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL 60606 (9/24/44)	Board Member	Term: Annual or Class III Board Member until 2009 Length of Service: Since 1996	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.	200	See Principal Occupation Description
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 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 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	200	See Principal Occupation Description

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).

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 Director-ships Held by Board Member
Terence J. Toth c/o Nuveen Investments, Inc. 333 West Wacker Drive Chicago, IL 60606 (9/29/59)	Board Member	Term: Annual or Class II Board Member until 2011 Length of Service: Since 2008	Director, Legal & General Investment Management America, Inc. (since 2008); Managing Partner, Musso Capital Management (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	200	See Principal Occupation Description

(1997-2004).

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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 Director-ships Held by Board Member
Nominee/Board Member who is an interested person of the Funds					
John P. Amboian(2) 333 West Wacker Drive Chicago, IL 60606 (6/14/61)	Board Member	Term: Annual or Class II Board Member until 2011 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.(3)	200	See Principal Occupation Description

(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) Interested person as defined in the 1940 Act, by reason of being an officer and director of each Fund s Adviser.

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

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 October 2, 2009, each Board Member s individual beneficial shareholdings of each Fund constituted less than 1% of the outstanding shares of each Fund. As of October 2, 2009, the Board Members and executive officers as a group beneficially owned less than 1% of the outstanding shares of each Fund. As of October 2, 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.

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	Carol E. Stone	Terence J. Toth
Floating Rate Income	$	$	$	$	$	$	$	$
Floating Rate Income Opportunity								
Senior Income								
Tax-Advantaged Floating Rate								
Arizona Dividend Advantage								
Arizona Dividend Advantage 2								
Arizona Dividend Advantage 3								
Arizona Premium Income								
California Dividend Advantage								
California Dividend Advantage 2								
California Dividend Advantage 3								
California Investment Quality								
California Market Opportunity								
California Value								
California Performance Plus								
California Premium Income								
California Quality Income								
California Select Quality								
Insured California Dividend Advantage								
Insured California Premium Income								
Insured California Premium Income 2								
Insured California Tax-Free Advantage								
Connecticut Dividend Advantage								
Connecticut Dividend Advantage 2								
Connecticut Dividend Advantage 3								
Connecticut Premium Income								

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	Carol E. Stone	Terence J. Toth
Georgia Dividend Advantage	$	$	$	$	$	$	$	$
Georgia Dividend Advantage 2								
Georgia Premium Income								
Maryland Dividend Advantage								
Maryland Dividend Advantage 2								
Maryland Dividend Advantage 3								
Maryland Premium Income								
Massachusetts Dividend Advantage								
Massachusetts Premium Income								
Insured Massachusetts Tax-Free Advantage								
Michigan Dividend Advantage								
Michigan Premium Income								
Michigan Quality Income								
Missouri Premium								

Income
New Jersey
Dividend
Advantage
New Jersey
Dividend
Advantage 2
New Jersey
Investment
Quality
New Jersey
Premium
Income
North Carolina
Dividend
Advantage
North Carolina
Dividend
Advantage 2
North Carolina
Dividend
Advantage 3
North Carolina
Premium
Income
Ohio Dividend
Advantage
Ohio Dividend
Advantage 2
Ohio Dividend
Advantage 3
Ohio Quality
Income
Pennsylvania
Dividend
Advantage
Pennsylvania
Dividend
Advantage 2
Pennsylvania
Investment
Quality
Pennsylvania
Premium
Income 2
Texas Quality
Income
Virginia
Dividend
Advantage

Virginia Dividend Advantage 2								
Virginia Premium Income								
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 Participating Funds. Total deferred fees for the Funds (including the return from the assumed investment in the Participating Funds) payable are:

Fund	**Robert P. Bremner**	**Jack B. Evans**	**William C. Hunter**	**David J. Kundert**	**William J. Schneider**	**Judith M. Stockdale**	**Carol E. Stone**	**Terence J. Toth**
Floating Rate Income	$	$	$	$	$	$	$	$
Floating Rate Income Opportunity								
Senior Income								
Tax-Advantaged Floating Rate								
California Dividend Advantage								
California Dividend Advantage 2								
California Dividend Advantage 3								
California Investment Quality								
California Value								
California Performance Plus								
California Quality Income								
California Select Quality								
Insured California Dividend Advantage								
Insured California Premium Income 2								
Michigan Quality Income								
New Jersey Investment Quality								
New Jersey Premium Income								
Pennsylvania Investment Quality								
Pennsylvania Premium Income 2								

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/.

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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 Birthdate	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 Birthdate	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 Chicago, IL 60606	Vice President	Term: Annual Length of	Executive Vice President (since 2008) of Nuveen Investments, Inc.; previously, Head of Institutional	200

(4/11/64)		Service: Since 2009	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

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Name, Address and Birthdate	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 Asset Management (since 2005).	200

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Name, Address and Birthdate	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, LLC, Symphony	200

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 Birthdate	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
Mark L. Winget 333 West Wacker Drive Chicago, IL 60606 (12/21/68)	Vice President and Assistant Secretary	Term: Annual Length of Service: Since	Vice President, Nuveen Investments, LLC (since 2008); Vice President and Assistant Secretary, Nuveen Asset Management (since 2008);	200

	2008	prior thereto, Counsel, Vedder Price P.C. (1997-2007).

(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.

2. Approval of the Elimination of Fundamental Investment Policies and Approval of New Fundamental Policies for each Affected Municipal Fund

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 Michigan Premium Income)

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:

Arizona Dividend Advantage, Arizona Dividend Advantage 2, Connecticut Dividend Advantage, Maryland Dividend Advantage, Maryland Dividend Advantage 2, Massachusetts Dividend Advantage, Michigan Dividend Advantage, New Jersey Dividend Advantage, North Carolina Dividend Advantage, North Carolina Dividend Advantage 2, Ohio Dividend Advantage, Ohio Dividend Advantage 2 and Pennsylvania Dividend Advantage

(i) Under normal [circumstances/market conditions], the Fund will invest its net assets in a portfolio of municipal bonds that are exempt from regular federal and [State] 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.

Arizona Dividend Advantage 3, Connecticut Dividend Advantage 2, Connecticut Dividend Advantage 3, Georgia Dividend Advantage 2, Maryland Dividend Advantage 3, New Jersey Dividend Advantage 2, Ohio Dividend Advantage 3 and Pennsylvania Dividend Advantage 2

(i) The Fund [as a fundamental policy] may not, under normal circumstances, 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 both regular federal and [State] income tax.

Arizona Premium Income, California Premium Income, Connecticut Premium Income, Georgia Premium Income, Massachusetts Premium Income, Missouri Premium Income, New Jersey Premium Income, Ohio Quality Income, Pennsylvania Premium Income, Texas Quality Income and Virginia Premium Income

(i) [Except to the extent the Fund invests in temporary investments as described below and more fully in the Statement of Additional Information], the Fund [will, as a fundamental policy,] invest substantially all (in excess of 80%) of its assets in tax-exempt [State] Municipal Obligations rated at the time of purchase within the four highest grades (Baa or BBB or better) by Moody s Investors Services, Inc. (Moody s) or Standard & Poor s Corporation (S&P), or in unrated [State] Municipal Obligations which, in the opinion of the Adviser, have credit characteristics equivalent to, and will be of comparable quality to, [State] Municipal Obligations rated within the four highest grades by Moody s or S&P, provided that the Fund may not invest more than 20% of its assets in such unrated [State] Municipal Obligations.

(ii) The Fund will not invest in any rated [State] Municipal Obligations that are rated lower than Baa by Moody s or BBB by S&P at the time of purchase.

California Dividend Advantage

(i) The Fund will invest its net assets in a diversified portfolio of municipal bonds that are exempt from regular Federal and California income tax. Under normal market conditions, 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.

(iii) The Fund may invest up to 20% of its net assets in municipal bonds that are rated, at the time of investment, 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.

California Dividend Advantage 2 and California Dividend Advantage 3

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

California Investment Quality, California Market Opportunity, California Performance Plus, New Jersey Investment Quality and Pennsylvania Investment Quality

(i) Except to the extent that the Fund buys temporary investments as described in [the Fund s Statement of Additional Information], the Fund will, as a fundamental policy, invest substantially all of its assets (more than 80%) in tax-exempt [State] 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 and Poor s, except that the Fund may invest up to 20% of its assets in unrated [State] municipal bonds which, in Nuveen Advisory s opinion, have credit characteristics equivalent to, and are of comparable quality to, municipal bonds so rated.

California Quality Income and California Select Quality

(i) Except to the extent that the Fund buys temporary investments as described in [the Fund s Statement of Additional Information], the Fund will, as a fundamental policy, invest substantially all of its assets (more than 80%) in tax-exempt California 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 and Poor s, except that the Fund may invest up to 20% of its assets in unrated California municipal bonds which, in Nuveen Advisory s opinion, have credit characteristics equivalent to, and are of comparable quality to, California municipal bonds so rated.

(b) Approval of New Fundamental Policy Relating to Investments in Municipal Securities (All Affected Municipal Funds except Michigan Premium Income)

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 [and state] income taxes.

In addition, the Board has adopted New Non-Fundamental Policies with respect to investing in investment grade securities for each Affected Municipal Fund, 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 noncallable; 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 Fundamental Policies Relating to Commodities (All Premium/Quality Funds)

The Current Fundamental Policies relating to commodities that are proposed to be eliminated are as follow:

Arizona Premium Income, California Investment Quality, California Market Opportunity, California Performance Plus, California Quality Income, California Select Quality, Michigan Premium Income, New Jersey Investment Quality, New Jersey Premium Income, Pennsylvania Investment Quality and Texas Quality Income

(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. *

California Premium Income, Connecticut Premium Income, Georgia Premium Income, Massachusetts Premium Income, Missouri Premium Income, Ohio Quality Income, Pennsylvania Premium Income 2 and Virginia Premium Income

(i) The Fund, as a fundamental policy, may not purchase or sell commodities or commodities contracts, except for transactions involving futures contracts that represent no more than 10% of the Fund s total assets and are otherwise within the limits described in Certain Trading Strategies of The Fund Financial Futures and Options Transactions. *

(d) Approval of New Fundamental Policy Relating to Commodities (All Premium/Quality Funds)

It is proposed that each Premium/Quality Fund adopt a New Fundamental Policy with respect to commodities. The adoption of the following New Fundamental Policy for each Premium/Quality Fund is contingent on shareholder approval of the elimination of that

* References are to a Fund s registration statement.

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Premium/Quality Fund s Current Fundamental Policy with respect to commodities, as reflected in 2(c) 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).

(e) Elimination of Fundamental Policies Relating to Derivatives and Short Sales (All Premium/Quality Funds)

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

Arizona Premium Income, California Investment Quality, California Market Opportunity, California Performance Plus, California Quality Income, California Select Quality, Michigan Premium Income, New Jersey Investment Quality, New Jersey Premium Income, Pennsylvania Investment Quality and Texas Quality 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 to the extent that the purchase of a stand-by commitment may be considered the purchase of a put, and except for transactions involving options within the limits described [in/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. *

California Premium Income, Connecticut Premium Income, Georgia Premium Income, Massachusetts Premium Income, Missouri Premium Income, Ohio Quality Income, Pennsylvania Premium Income 2 and Virginia 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 to the extent that the purchase of a stand-by commitment may be considered the purchase of a put, and except for transactions involving options that represent no more than 10% of the Fund s total assets and are otherwise within the limits described in Certain Trading Strategies of The Fund Financial Futures and Options Transactions. *

(ii) The Fund may not purchase financial futures and options except for futures and options that represent no more than 10% of the Fund s total assets and are

* References are to a Fund s registration statement.

otherwise 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(e) above, the Board has adopted the following New Non-Fundamental Policies for each of the above Premium/Quality Funds. The New Non-Fundamental Policies are contingent on shareholder approval of the elimination of that Premium/Quality Fund s Current Fundamental Policies with respect to derivatives and short sales. The New Non-Fundamental Polices 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.

(f) Elimination of the Fundamental Policy Prohibiting Investment in Other Investment Companies (All Premium/Quality Funds)

The Premium/Quality Funds do not have specific restrictions as to investments in other investment companies. However, each such Premium/Quality 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 [state] Municipal Obligations and temporary investments[,] as described [in/under] Investment Objective and Policies [of the Funds] 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 Premium/Quality Fund s Current Fundamental Policy prohibiting

* References are to a Fund s registration statement.

investments in other 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.

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 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 New Fundamental Policy for Each Insured Fund

The Insured Funds have adopted certain fundamental investment policies, as described below (together, Insured Fundamental Policies, each an Insured Fundamental Policy), that can only be changed by shareholder vote. The Insured Fundamental Policies adopted by the 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 Insured Fund s shareholders of the elimination of certain Insured Fundamental Policies of the Insured Funds that are restricting, or may be expected in the future to restrict, each Insured Fund s ability to effectively make investments. In connection with eliminating the Insured Fundamental Policies, the Board unanimously approved, and unanimously recommends the approval by shareholders of a new fundamental policy, described below (each a New Insured 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 Insured Non-Fundamental Policies and together with the New Insured Fundamental Policy, the New Insured Policies). The New Insured Policies are designed to provide portfolio managers with important flexibility to respond to on-going developments in the bond insurance market, while ensuring the Insured Funds continue to invest substantially all (at least 80%) of their municipal investments in insured bonds backed by insurers with solid credit ratings.

(a) Elimination of Insured Fundamental Policies Relating to Investments in Insured Municipal Securities (All Insured Funds)

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

Insured California Dividend Advantage

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

Insured California Premium Income and Insured California Premium Income 2

(i) Except to the extent the Fund invests in temporary investments, the Fund will invest all of its assets in tax-exempt [State] Municipal Obligations which are either covered by insurance guaranteeing the timely payment of principal and interest thereon or 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) Each insured [State] Municipal Obligation held by the Fund will either be (1) covered by an insurance policy applicable to a specific security, whether obtained by the issuer of the security or a third party at the time of original issuance (Original Issue Insurance) by the Fund or a third party subsequent to the time of original issuance (Secondary Market Insurance), or (2) covered by a master municipal insurance policy purchased by the Fund (Portfolio Insurance).

(iii) The Fund will only obtain policies of portfolio insurance issued by insurers whose claims-paying ability is rated Aaa by Moody s Investors Services, Inc. (Moody s) or AAA by Standard & Poor s Corporation (Standard & Poor

(iv) Municipal obligations backed by an escrow account or trust account will not constitute more than 20% of the Fund s assets.

Insured California Tax-Free Advantage and Insured Massachusetts Tax-Free Advantage

(i) Under normal circumstances, the Fund will invest at least 80% of its average daily net assets, including assets attributable to MuniPreferred shares outstanding (Managed Assets) in a portfolio of municipal bonds that pay interest that is exempt from regular federal and [State] income tax and from the federal alternative minimum tax applicable to individuals.

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(ii) Under normal circumstances, the Fund will invest at least 80% of its average daily net assets, including assets attributable to MuniPreferred shares outstanding (Managed Assets) in a portfolio of municipal bonds that are covered by insurance guaranteeing the timely payment of principal and interest thereon.

(b) Approval of the New Insured Fundamental Policy Relating to Investments in Insured Municipal Securities (All Insured Funds)

In connection with eliminating the Insured Fundamental Policies, the Board of each Insured Fund has unanimously approved, and recommends that shareholders of each Insured Fund approve, a New Insured Fundamental Policy relating to each Insured Fund s policy of investing 80% (or greater) of its assets in a portfolio of municipal securities or related investments that pay tax-exempt interest. The New Insured Fundamental Policy will replace each Insured Fund s Insured Fundamental Policy or Insured Fundamental Policies, as described above. Implementation of the New Insured Fundamental Policy is contingent on shareholder approval of the elimination of the Insured Fundamental Policy or Insured Fundamental Policies for each Insured Fund, as applicable. The New Insured 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 municipal securities and other related investments that pay interest exempt from federal and [State] income taxes (municipal securities) and are covered by insurance guaranteeing the timely payment of principal and interest thereon.

New Insured Non-Fundamental Policies

In connection with eliminating the Insured Fundamental Policies, the Board of each Insured Fund has also adopted New Insured Non-Fundamental Policies, as described below. To the extent that the New Insured Non-Fundamental Policies conflict with the existing Insured Fundamental Policies, implementation of the New Insured Non-Fundamental Policies is contingent on shareholder approval of the elimination of the Insured Fundamental Policies. To the extent such Insured Non-Fundamental Policies do not conflict with the existing Insured Fundamental Policies, the New Insured Non-Fundamental Policies have already been implemented. By eliminating the Insured Fundamental Policies and adopting the New Insured Non-Fundamental Policies, each 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 Insured Fund s New Insured 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 Insured Non-Fundamental Policies that the Board of each 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

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(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.

(c) Elimination of Fundamental Policies Relating to Commodities (Insured California Premium Income and Insured California Premium Income 2)

The Current Insured Fundamental Policies relating to commodities that are proposed to be eliminated are as follows:

Insured California Premium Income

(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 in Certain Trading Strategies of the Fund Financial Futures and Options Transactions. *

Insured California Premium Income 2

(i) The Fund, as a fundamental policy, may not purchase or sell commodities or commodities contracts, except for transactions involving futures contracts that represent no more than 10% of the Fund s total assets and are otherwise within the limits described in Certain Trading Strategies of The Fund Financial Futures and Options Transactions.*

The above referenced 80% test refers to the New Insured Fundamental Policy proposed in item 3(b).
* References are to a Fund s registration statement.

(d) Approval of New Fundamental Policy Relating to Commodities (Insured California Premium Income and Insured California Premium Income 2)

It is proposed that Insured California Premium Income and Insured California Premium Income 2 adopt a New Insured Fundamental Policy with respect to commodities, the adoption of which is contingent on shareholder approval of the elimination of that Insured Fund s Current Insured Fundamental Policy with respect to commodities, as reflected in 3(c) above. The proposed New Insured Fundamental Policy is as follows:

Insured California Premium Income and Insured California Premium Income 2

(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).

(e) Elimination of Fundamental Policies Relating to Derivatives and Short Sales (Insured California Premium Income and Insured California Premium Income 2)

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

Insured California Premium Income

(i) The Fund, as a fundamental policy, 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 stand-by commitment may be considered the purchase of a put, and except for transactions involving options within the limits described in 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*.

Insured California Premium Income 2

(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 stand-by commitment may be considered the purchase of a put, and except for transactions involving options within the limits described in Certain Trading Strategies of The Fund Financial Futures and Options Transactions.*

(ii) The Fund may not purchase financial futures and options that represent no more than 10% of the Fund s total assets and are otherwise within the limits described in Certain Trading Strategies of The Fund Financial Futures and Options Transactions. *

* References are to a Fund s registration statement.

In connection with the elimination of the Current Insured Fundamental Policies relating to derivatives and short sales, as reflected in 3(e) above, the Board has adopted the following New Insured Non-Fundamental Policies for each of Insured California Premium Income and Insured California Premium Income 2. The New Insured Non-Fundamental Policies are contingent on shareholder approval of the elimination of that Insured Fund s Current Fundamental Policies with respect to derivatives and short sales. The New Insured Non-Fundamental Polices 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.

(f) Elimination of the Fundamental Policy Prohibiting Investment in Other Investment Companies (Insured California Premium Income and Insured California Premium Income 2)

Insured California Premium Income and Insured California Premium Income 2 do not have specific restrictions as to investments in other investment companies. However, each such 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 [state] Municipal Obligations and temporary investments, as described in Investment Objective 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 Insured Non-Fundamental Policy to be implemented upon the elimination of Insured California Premium Income s and Insured California Premium Income 2 s Current Insured Fundamental Policy prohibiting investments in other

* References are to a Fund s registration statement.

investment companies. The proposed New Insured 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.

Board Recommendation

The Board believes that eliminating the Insured Fundamental Policies and adopting the New Insured 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 Insured Fund s investment objective and keep each Fund fully invested. While the Board believes that the New Insured Policies give the Adviser adequate flexibility under current market conditions, if the market changes in the future, the Insured Funds may desire to refine these parameters further and the Board may change the New Insured Non-Fundamental Policies without shareholder approval.

The Board of Trustees recommends that shareholders of each Insured Fund vote to approve the elimination of each Insured Fundamental Policy and vote to approve each New Insured 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 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 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
Floating Rate Income														
Floating Rate Income Opportunity														
Senior Income														
Tax-Advantaged Floating Rate														
Arizona Dividend Advantage														
Arizona Dividend Advantage														
Arizona Dividend Advantage 2														
Arizona Premium Income 3														
California Dividend Advantage														
California Dividend Advantage 2														
California Dividend Advantage 3														
California Investment Quality														
California Market Opportunity														
California Value														
California Performance Plus														
California Premium Income														

California Quality
Income
California Select
Quality
Insured California
Dividend Advantage
Insured California
Premium Income
Insured California
Premium Income 2
Insured California
Tax-Free Advantage
Connecticut Dividend
Advantage
Connecticut Dividend
Advantage 2

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	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
Connecticut Dividend Advantage 3														
Connecticut Premium Income														
Georgia Dividend Advantage														
Georgia Dividend Advantage 2														
Georgia Premium Income														
Maryland Dividend Advantage														
Maryland Dividend Advantage 2														
Maryland Dividend Advantage 3														
Maryland Premium Income														
Massachusetts Dividend Advantage														
Massachusetts Premium Income														
Insured Massachusetts Tax-Free Advantage														
Michigan Dividend Advantage														
Michigan Premium Income														
Michigan Quality Income														
Missouri Premium Income														
New Jersey Dividend Advantage														

New Jersey Dividend Advantage 2
New Jersey Investment Quality
New Jersey Premium Income
North Carolina Dividend Advantage
North Carolina Dividend Advantage 2
North Carolina Dividend Advantage 3
North Carolina Premium Income
Ohio Dividend Advantage 2
Ohio Dividend Advantage 3
Ohio Quality Income
Pennsylvania Dividend Advantage

	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**
Pennsylvania Dividend Advantage 2														
Pennsylvania Investment Quality														
Pennsylvania Premium Income 2														
Texas Quality Income														
Virginia Dividend Advantage														
Virginia Dividend Advantage 2														
Virginia Premium Income														

(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.

Fund	Total Non-Audit Fees Billed to Fund		Total Non-Audit Fees Billed to Adviser and Adviser Entities (Engagements Related Directly to the Operations and Financial Reporting of Fund)		Total Non-Audit Fees Billed to Adviser and Adviser Entities (All Other Engagements)		Total	
	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
Floating Rate Income								
Floating Rate Income Opportunity								
Senior Income								
Tax-Advantaged Floating Rate								
Arizona Dividend Advantage								
Arizona Dividend Advantage 2								
Arizona Dividend Advantage 3								
Arizona Premium Income								
California Dividend Advantage								
California Dividend Advantage 2								
California Dividend Advantage 3								
California Investment Quality								
California Market Opportunity								
California Value								
California Performance Plus								
California Premium Income								
California Quality Income								

California Select Quality
Insured California Dividend Advantage
Insured California Premium Income
Insured California Premium Income 2
Insured California Tax-Free Advantage
Connecticut Dividend Advantage

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Fund	Total Non-Audit Fees Billed to Fund		Total Non-Audit Fees Billed to Adviser and Adviser Entities (Engagements Related Directly to the Operations and Financial Reporting of Fund)		Total Non-Audit Fees Billed to Adviser and Adviser Entities (All Other Engagements)		Total	
	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
Connecticut Dividend Advantage 2								
Connecticut Dividend Advantage 3								
Connecticut Premium Income								
Georgia Dividend Advantage								
Georgia Dividend Advantage 2								
Georgia Premium Income								
Maryland Dividend Advantage								
Maryland Dividend Advantage 2								
Maryland Dividend Advantage 3								
Maryland Premium Income								
Massachusetts Dividend Advantage								
Massachusetts Premium Income								
Insured Massachusetts Tax-Free Advantage								
Michigan Dividend Advantage								
Michigan Premium Income								
Michigan Quality Income								
Missouri Premium Income								

New Jersey Dividend
Advantage
New Jersey Dividend
Advantage 2
New Jersey Investment
Quality
New Jersey Premium Income
North Carolina Dividend
Advantage
North Carolina Dividend
Advantage 2
North Carolina Dividend
Advantage 3
North Carolina Premium
Income

Fund	Total Non-Audit Fees Billed to Fund		Total Non-Audit Fees Billed to Adviser and Adviser Entities (Engagements Related Directly to the Operations and Financial Reporting of Fund)		Total Non-Audit Fees Billed to Adviser and Adviser Entities (All Other Engagements)		Total	
	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
Ohio Dividend Advantage								
Ohio Dividend Advantage 2								
Ohio Dividend Advantage 3								
Ohio Quality Income								
Pennsylvania Dividend Advantage								
Pennsylvania Dividend Advantage 2								
Pennsylvania Investment Quality								
Pennsylvania Premium Income 2								
Texas Quality Income								
Virginia Dividend Advantage								
Virginia Dividend Advantage 2								
Virginia Premium Income								

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Audit Committee Pre-Approval Policies and Procedures. Generally, the audit committee must approve each Fund s independent registered public accounting firm s engagements (i) with the Fund for audit or non-audit services and (ii) with the Adviser and Adviser Entities for non-audit services if the engagement relates directly to the operations and financial reporting of the Fund. Regarding tax and research projects conducted by the independent registered public accounting firm for each Fund and the Adviser and Adviser Entities (with respect to the operations and financial reporting of each Fund), such engagements will be (i) pre-approved by the audit committee if they are expected to be for amounts greater than $10,000; (ii) reported to the audit committee chairman for his verbal approval prior to engagement if they are expected to be for amounts under $10,000 but greater than $5,000; and (iii) reported to the audit committee at the next audit committee meeting if they are expected to be for an amount under $5,000.

The audit committee has approved in advance all audit services and non-audit services that the independent registered public accounting firm provided to each Fund and to the Adviser and Adviser Entities (with respect to the operations and financial reporting of each Fund). None of the services rendered by the independent registered public accounting firm to each Fund or the Adviser or Adviser Entities were pre-approved by the audit committee pursuant to the pre-approval exception under Rule 2.01(c)(7)(i)(C) or Rule 2.01(c)(7)(ii) of Regulation S-X.

Additional Information

Appointment of the Independent Registered Public Accounting Firm

Each Board has appointed Ernst & Young LLP as independent registered public accounting firm to audit the books and records of each Fund for its current fiscal year. A representative of Ernst & Young LLP will be present at the Annual Meetings to make a statement, if such representative so desires, and to respond to shareholders questions. Ernst & Young LLP has informed each Fund that it has no direct or indirect material financial interest in the Funds, Nuveen, the Adviser or any other investment company sponsored by Nuveen.

Section 16(a) Beneficial Interest Reporting Compliance

Section 30(h) of the 1940 Act and Section 16(a) of the 1934 Act require Board Members and officers, the Adviser, affiliated persons of the Adviser and persons who own more than 10% of a registered class of a Fund s equity securities to file forms reporting their affiliation with that Fund and reports of ownership and changes in ownership of that Fund s shares with the SEC and the New York Stock Exchange or NYSE Amex, as applicable. These persons and entities are required by SEC regulation to furnish the Funds with copies of all Section 16(a) forms they file. Based on a review of these forms furnished to each Fund, each Fund believes that its Board Members and officers, Adviser and affiliated persons of the Adviser have complied with all applicable Section 16(a) filing requirements during its last fiscal year[, except as follows: , a of NAM, made a late filing on Form with respect to]. To the knowledge of management of the Funds, no shareholder of a Fund owns more than 10% of a registered class of a Fund s equity securities, except as provided in Appendix B.

Information About the Adviser

The Adviser, located at 333 West Wacker Drive, Chicago, Illinois 60606, serves as investment adviser and manager for each Fund. The Adviser is a wholly-owned subsidiary of Nuveen.

Nuveen is a wholly-owned subsidiary of Windy City, a corporation formed by investors led by Madison Dearborn Partners, LLC (MDP), a private equity investment firm based in Chicago, Illinois. Windy City is controlled by MDP on behalf of the Madison Dearborn Capital Partner V funds.

Shareholder Proposals

To be considered for presentation at the annual meeting of shareholders of the Funds to be held in 2010, a shareholder proposal submitted pursuant to Rule 14a-8 of the 1934 Act must be received at the offices of that Fund, 333 West Wacker Drive, Chicago, Illinois 60606, not later than June 21, 2010. A shareholder wishing to provide notice in the manner prescribed by Rule 14a-4(c)(1) of a proposal submitted outside of the process of Rule 14a-8 must, pursuant to each Fund s By-Laws, submit such written notice to the Fund not later than September 2, 2010 or prior to August 18, 2010. Timely submission of a proposal does not mean that such proposal will be included in a proxy statement.

Shareholder Communications

Fund shareholders who want to communicate with the Board or any individual Board Member should write to the attention of Lorna Ferguson, Manager of Fund Board Relations, Nuveen Investments, 333 West Wacker Drive, Chicago, Illinois 60606. The letter should indicate that you are a Fund shareholder and note the fund or funds that you own. If the communication is intended for a specific Board Member and so indicates it will be sent only to that Board Member. If a communication does not indicate a specific Board Member, it will be sent to the Independent Chairman and the outside counsel to the Independent Board Members for further distribution as deemed appropriate by such persons.

Expenses of Proxy Solicitation

The cost of preparing, printing and mailing the enclosed proxy, accompanying notice and proxy statement will be paid by the Funds pro rata based on the number of shareholder accounts. Additional solicitation may be made by letter or telephone by officers or employees of Nuveen or the Adviser, or by dealers and their representatives. Any additional costs of solicitation will be paid by the Fund that requires additional solicitation. The Funds, with the exception of Floating Rate, Floating Rate Income Opportunity, Senior Income and Tax-Advantaged Floating Rate, have engaged Computershare Fund Services to assist in the solicitation of proxies at an estimated cost of $2,000 per Fund plus reasonable expenses.

Fiscal Year

The fiscal year end for each of the Funds is as follows: April 30, 2009 for New Jersey Dividend Advantage, New Jersey Dividend Advantage 2, New Jersey Investment Quality, New Jersey Premium Income, Pennsylvania Dividend Advantage, Pennsylvania Dividend Advantage 2, Pennsylvania Investment Quality and Pennsylvania Premium Income 2; May 31, 2009 for Connecticut Dividend Advantage, Connecticut Dividend Advantage 2, Connecticut Dividend Advantage 3, Connecticut Premium Income, Georgia Dividend Advantage, Georgia Dividend Advantage 2, Georgia Premium Income, Maryland Dividend Advantage, Maryland Dividend Advantage 2, Maryland Dividend Advantage 3, Massachusetts Dividend Advantage, Massachusetts Premium Income, Insured Massachusetts Tax-Free Advantage, Missouri Premium Income, North Carolina Dividend Advantage, North Carolina Dividend Advantage 2, North Carolina Dividend Advantage 3, North Carolina Premium Income, Virginia Dividend Advantage, Virginia Dividend Advantage 2 and Virginia Premium Income; June 30, 2009 for Tax-Advantaged Floating Rate; July 31, 2009 for Floating Rate Income, Floating Rate Income Opportunity, Senior Income, Arizona Dividend Advantage, Arizona Dividend Advantage 2, Arizona Dividend Advantage 3, Arizona Premium Income, Michigan Dividend Advantage, Michigan Premium Income, Michigan Quality Income, Ohio Dividend Advantage, Ohio Dividend Advantage 2, Ohio Dividend Advantage 3, Ohio Quality Income and Texas Quality Income; and August 31, 2009 for California Dividend Advantage, California Dividend Advantage 2, California Dividend Advantage 3, California Investment Quality, California Market Opportunity, California Value, California Performance Plus, California Premium Income, California Quality Income, California Select Quality, Insured California Dividend Advantage, Insured California Premium Income, Insured California Premium Income 2, Insured California Tax-Free Advantage.

Annual Report Delivery

Annual reports will be sent to shareholders of record of each Fund following each Fund s fiscal year end. Each Fund will furnish, without charge, a copy of its annual report and/or semi-annual report as available upon request. Such written or oral requests should be directed to such Fund at 333 West Wacker Drive, Chicago, Illinois 60606 or by calling 1-800-257-8787.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting To Be Held on November 30, 2009:

Each Fund s Proxy Statement is available at www.nuveen.com/CEF/Info/Shareholder/ProxyStatements.aspx. For more information, shareholders may also contact the applicable Fund at the address and phone number set forth above.

Please note that only one annual report, semi-annual report or proxy statement may be delivered to two or more shareholders of a Fund who share an address, unless the Fund has received instructions to the contrary. To request a separate copy of an annual report, semi-annual report or proxy statement, or for instructions as to how to request a separate copy of such documents or as to how to request a single copy if multiple copies of such documents are received, shareholders should contact the applicable Fund at the address and phone number set forth above.

General

Management does not intend to present and does not have reason to believe that any other items of business will be presented at the Annual Meetings. However, if other matters are properly presented to the Annual Meetings for a vote, the proxies will be voted by the persons acting under the proxies upon such matters in accordance with their judgment of the best interests of the Fund.

A list of shareholders entitled to be present and to vote at each Annual Meeting will be available at the offices of the Funds, 333 West Wacker Drive, Chicago, Illinois, for inspection by any shareholder during regular business hours beginning ten days prior to the date of the Annual Meeting.

Failure of a quorum to be present at any Annual Meeting will necessitate adjournment and will subject that Fund to additional expense. The persons named in the enclosed proxy may also move for an adjournment of any Annual Meeting to permit further solicitation of proxies with respect to the proposal if they determine that adjournment and further solicitation is reasonable and in the best interests of the shareholders. Under each Fund s By-Laws, an adjournment of a meeting with respect to a matter requires the affirmative vote of a majority of the shares entitled to vote on the matter present in person or represented by proxy at the meeting.

IF YOU CANNOT BE PRESENT AT THE MEETING, YOU ARE REQUESTED TO FILL IN, SIGN AND RETURN THE ENCLOSED PROXY PROMPTLY. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES.

Kevin J. McCarthy
Vice President and Secretary

October 19, 2009

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APPENDIX A

Beneficial Ownership

The following table lists the dollar range of equity securities beneficially owned by each Board Member nominee in each Fund and in all Nuveen funds overseen by the Board Member nominee as of December 31, 2008.

Board Member Nominees	Floating Rate Income	Floating Rate Income Opportunity	Senior Income	Tax-Advantaged Floating Rate	Arizona Dividend Advantage	Arizona Dividend Advantage 2
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						

Board Member Nominees	Arizona Dividend Advantage 3	Arizona Premium Income	California Premium Advantage	California Dividend Advantage 2	California Dividend Advantage 3	California Investment Quality
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						

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Board Member Nominees	Dollar Range of Equity Securities California Market Opportunity	California Value	California Performance Plus	California Premium Income	California Quality Income	California Select Quality
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						

Board Member Nominees	Insured California Dividend Advantage	Insured California Premium Income	Insured California Premium Income 2	Insured California Tax-Free Advantage	Connecticut Dividend Advantage	Connecticut Dividend Advantage 2
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						

Dollar Range of Equity Securities

Board Member Nominees	Connecticut Dividend Advantage 3	Connecticut Premium Income
Board Members/Nominees who are not interested persons of the Funds		
Robert P. Bremner		
Jack B. Evans		
William C. Hunter		
David J. Kundert		
William J. Schneider		
Judith M. Stockdale		
Carole E. Stone		
Terence J. Toth		
Board Member/Nominee who is an interested person of the Funds		
John P. Amboian		

Board Member Nominees	Georgia Dividend Advantage	Georgia Dividend Advantage 2	Georgia Premium Income	Maryland Dividend Advantage	Maryland Dividend Advantage 2	Maryland Dividend Advantage 3
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						

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	Dollar Range of Equity Securities					
	Maryland Premium Income	Massachusetts Dividend Advantage	Massachusetts Premium Income	Insured Massachusetts Tax-Free Advantage	Michigan Dividend Advantage	Michigan Premium Income
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						

Board Member Nominees	Michigan Quality Income	Missouri Premium Income	New Jersey Dividend Advantage	New Jersey Dividend Advantage 2	New Jersey Investment Quality	New Jersey Premium Income
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						

Board Member Nominees	Dollar Range of Equity Securities North Carolina Dividend Advantage	North Carolina Dividend Advantage 2	North Carolina Dividend Advantage 3	North Carolina Premium Income	Ohio Dividend Advantage	Ohio Dividend Advantage 2
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						

Board Member Nominees	Dollar Range of Equity Securities Ohio Dividend Advantage 3	Ohio Quality Income	Pennsylvania Dividend Advantage	Pennsylvania Dividend Advantage 2	Pennsylvania Investment Quality	Pennsylvania Premium Income 2
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						

Dollar Range of Equity Securities

Board Member Nominees	**Texas Quality Income**	**Virginia Dividend Advantage**	**Virginia Dividend Advantage 2**	**Virginia Premium Income**	**Aggregate Dollar Range of Equity Securities in All Registered Investment Companies Overseen by Board Member Nominees in Family of Investment Companies[(1)]**
Board Members/Nominees who are not interested persons of the Funds					
Robert P. Bremner					
Jack B. Evans					
William C. Hunter					
David J. Kundert					
William J. Schneider					
Judith M. Stockdale					
Carole E. Stone					
Terence J. Toth					
Board Member/Nominee who is an interested persons of the Funds					
John P. Amboian					

(1) The amounts reflect the aggregate dollar range of equity securities and the number of shares beneficially owned by the Board Member in the Funds and in all Nuveen funds overseen by the Board Member.

The following table sets forth, for each Board Member and Board Member Nominee and for the Board Members and Board Member Nominees and officers as a group, the amount of shares beneficially owned in each Fund as of December 31, 2008. The information as to beneficial ownership is based on statements furnished by each Board Member and officer.

Fund Shares Owned By Board Members And Officers[1]

Board Member Nominees	Floating Rate Income	Floating Rate Income Opportunity	Senior Income	Tax-Advantaged Floating Rate	Arizona Dividend Advantage	Arizona Dividend Advantage 2
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						
All Board Members and Officers as a Group						

Fund Shares Owned By Board Members And Officers[1]

Board Member Nominees	Arizona Dividend Advantage 3	Arizona Premium Income	California Dividend Advantage	California Dividend Advantage 2	California Dividend Advantage 3	California Investment Quality
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						

All Board Members and Officers as a Group

(1) The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan.

Fund Shares Owned By Board Members And Officers[1]

Board Member Nominees	California Market Opportunity	California Value	California Performance Plus	California Premium Income	California Quality Income	California Select Quality
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						
All Board Members and Officers as a Group						

Fund Shares Owned By Board Members And Officers[1]

Board Member Nominees	Insured California Dividend Advantage	Insured California Premium Income	Insured California Premium Income 2	Insured California Tax-Free Advantage	Connecticut Dividend Advantage	Connecticut Dividend Advantage 2
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						
All Board Members and Officers as a Group						

(1) The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan.

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Fund Shares Owned By Board Members And Officers[1]

Board Member Nominees	Connecticut Dividend Advantage 3	Connecticut Premium Income	Florida Investment Quality	Florida Quality Income	Insured Florida Premium Income	Insured Florida Tax-Free Advantage
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						
All Board Members and Officers as a Group						

Board Member Nominees	Georgia Dividend Advantage	Georgia Dividend Advantage 2	Georgia Premium Income	Maryland Dividend Advantage	Maryland Dividend Advantage 2	Maryland Dividend Advantage 3
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						
All Board Members and Officers as a Group						

(1) The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan.

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Fund Shares Owned By Board Members And Officers[(1)]

Board Member Nominees	Maryland Premium Income	Massachusetts Dividend Advantage	Massachusetts Premium Income	Insured Massachusetts Tax-Free Advantage	Michigan Dividend Advantage	Michigan Premium Income
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						
All Board Members and Officers as a Group						

Board Member Nominees	Michigan Quality Income	Missouri Premium Income	New Jersey Dividend Advantage	New Jersey Dividend Advantage 2	New Jersey Investment Quality	New Jersey Premium Income
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						
All Board Members and Officers as a Group						

(1)

The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan.

Fund Shares Owned By Board Members And Officers(1)

Board Member Nominees	North Carolina Dividend Advantage	North Carolina Dividend Advantage 2	North Carolina Dividend Advantage 3	North Carolina Premium Income	Ohio Dividend Advantage	Ohio Dividend Advantage 2
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						
All Board Members and Officers as a Group						

Fund Shares Owned By Board Members And Officers(1)

Board Member Nominees	Ohio Dividend Advantage 3	Ohio Quality Income	Pennsylvania Dividend Advantage	Pennsylvania Dividend Advantage 2	Pennsylvania Investment Quality	Pennsylvania Premium Income 2
Board Members/Nominees who are not interested persons of the Funds						
Robert P. Bremner						
Jack B. Evans						
William C. Hunter						
David J. Kundert						
William J. Schneider						
Judith M. Stockdale						
Carole E. Stone						
Terence J. Toth						
Board Member/Nominee who is an interested person of the Funds						
John P. Amboian						
All Board Members and Officers as a Group						

(1) The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan.

Fund Shares Owned By Board Members And Officers[1]

Board Member Nominees	Texas Quality Income	Virginia Dividend Advantage	Virginia Dividend Advantage 2	Virginia Premium Income
Board Members/Nominees who are not interested persons of the Funds				
Robert P. Bremner				
Jack B. Evans				
William C. Hunter				
David J. Kundert				
William J. Schneider				
Judith M. Stockdale				
Carole E. Stone				
Terence J. Toth				
Board Member/Nominee who is an interested person of the Funds				
John P. Amboian				
All Board Members and Officers as a Group				

(1) The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan.

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APPENDIX B

List of Beneficial Owners Who Own More Than 5% of Any Class of Shares in Any Fund

The following chart lists each shareholder or group of shareholders who beneficially own more than 5% of any class of shares of any Fund*:

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
Floating Rate Income Opportunity (JRO) Common Shares	First Trust Portfolios L.P.[a] 1001 Warrenville Road Lisle, IL 60532	2,197,549	7.7%
	First Trust Advisors L.P.[a] 1001 Warrenville Road Lisle, IL 60532		
	The Charger Corporation[a] 1001 Warrenville Road Lisle, IL 60532		
Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	824	20.6%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
	UBS AG Bahnhoftstrasse 45	138	5.75%

	PO Box CH-8021 Zurich, Switzerland		
Senior Income (NSL) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	99	5.4%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		

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Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	155	14.9%
Tax-Advantaged Floating Rate (JFP) Common Shares	Claymore Securities, Inc. 2455 Corporate West Drive Lisle, IL 60532	706,824	5.09%
Auction Rate Preferred Shares	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	64	29.09%
Arizona Dividend Advantage (NFZ) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013	136	28.3%
	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	44	9.17%
		58	12.1%

	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255		
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	27	5.6%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	31	6.5%
Arizona Dividend Advantage 2 (NKR) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	115	15.5%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	68	9.46%
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	130	17.6%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	117	15.8%
Arizona Dividend Advantage 3 (NXE) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	354	40.2%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[(b)]		

	388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	90	10.23%
Arizona Premium Income (NAZ) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	151	12.6%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Merrill Lynch & Co.[c] 4 World Financial Center 250 Vesey Street New York, NY 10080	275	22.9%
	Merrill Lynch, Pierce, Fenner & Smith, Inc.[c] 4 World Financial Center 250 Vesey Street New York, NY 10080		
	JP Morgan Chase & Co. 270 Park Ave. New York, NY 10017	83	6.9%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	98	8.17%
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	420	35.0%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	413	34.4%
California Dividend Advantage (NAC) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	364	6.7%

	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
	Bank of America Corporation[d] 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	803	14.8%
	Blue Ridge Investments, L.L.C.[d] 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255		
California Dividend Advantage 2 (NVX) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	344	7.8%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	584	13.3%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	254	5.8%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	330	7.5%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	259	5.89%
		512	8.0%

California Dividend Advantage 3 (NZH) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	839	13.6%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	630	10.2%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	402	6.4%
California Investment Quality (NQC) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	771	20.3%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	371	9.8%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	400	10.5%
California Market Opportunity (NCO) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013	207	7.8%
	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street New York, NY 10013		

	Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	274	10.1%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	140	5.1%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	77	5.13%
California Performance Plus (NCP) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	410	10.3%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	302	7.6%
California Premium Income (NCU) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	552	32.1%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	421	24.5%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	131	7.6%
	Morgan Stanley[e] 1585 Broadway New York, NY 10036	105	6.1%
	Morgan Stanley & Co. Inc.[e] 1585 Broadway New York, NY 10036		
California Quality Income (NUC) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	374	5.7%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street		

New York, NY 10013		
Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	770	11.7%
Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	462	7.0%
UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	451	6.83%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
California Select Quality (NVC) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	726	10.7%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	396	5.8%
	JP Morgan Chase & Co. 270 Park Ave. New York, NY 10017	465	6.9%
	Bank of America Corporation(d) 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	376	5.6%
	Blue Ridge Investments, L.L.C.(d) 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255		
Insured California Dividend Advantage (NKL) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013	505	11.7%
	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street		

New York, NY 10013		
Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		
Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	517	11.9%
Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	269	6.2%
Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	248	5.7%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	249	5.75%
Insured California Premium Income (NPC) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	421	23.4%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	275	15.3%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	146	8.1%
	Morgan Stanley[(e)] 1585 Broadway New York, NY 10036	98	5.4%
	Morgan Stanley & Co. Inc.[(e)] 1585 Broadway New York, NY 10036		
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	114	6.33%
		530	16.6%

Insured California Premium Income 2 (NCL) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255		
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	313	9.8%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	217	6.8%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	366	11.46%
Connecticut Dividend Advantage (NFC) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013	202	25.9%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013 Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	201	25.8%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	177	22.7%
	Morgan Stanley(e) 1585 Broadway New York, NY 10036	57	7.3%
	Morgan Stanley & Co. Inc.(e) 1585 Broadway New York, NY 10036		
Connecticut Dividend Advantage 2 (NGK) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013 Citigroup Financial Products Inc.(b) 388 Greenwich Street	209	29.9%

New York, NY 10013		
Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
Bank of America Corporation[f] 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	124	17.7%
Merrill Lynch, Pierce, Fenner & Smith, Inc.[f] 4 World Financial Center 250 Vesey Street New York, NY 10080		

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	73	10.43%
Connecticut Dividend Advantage 3 (NGO) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	331	25.9%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	217	17.0%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	193	15.1%
	UBS AG Bahnhoftstrasse 45	82	6.41%

	PO Box CH-8021 Zurich, Switzerland		
Connecticut Premium Income (NTC) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	536	35.0%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	246	16.1%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	227	14.8%
	Morgan Stanley(e) 1585 Broadway New York, NY 10036	208	13.6%
	Morgan Stanley & Co. Inc.[(e)] 1585 Broadway New York, NY 10036		
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	80	5.22%
Georgia Dividend Advantage (NZX) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	93	23.5%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	59	14.9%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	34	8.6%
Georgia Dividend Advantage 2 (NKG) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street	191	14.5%

New York, NY 10013		
Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
Bank of America Corporation[(d)] 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	83	6.3%
Blue Ridge Investments, L.L.C.[(d)] 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255		

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
Georgia Premium Income (NPG) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	300	27.0%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	242	21.8%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	58	5.2%
Maryland Dividend Advantage (NFM) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	526	41.1%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	Morgan Stanley[(e)] 1585 Broadway	65	5.1%

	New York, NY 10036		
	Morgan Stanley & Co. Inc.(e) 1585 Broadway New York, NY 10036		
Maryland Dividend Advantage 2 (NZR) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013	486	38.0%
	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		
Maryland Dividend Advantage 3 (NWI) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013	606	38.8%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
Maryland Premium Income (NMY) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	1,084	34.3%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
Massachusetts Dividend Advantage (NMB) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	72	12.0%

	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	66	11.0%
	Morgan Stanley[(e)] 1585 Broadway New York, NY 10036	46	7.7%
	Morgan Stanley & Co. Inc.[(e)] 1585 Broadway New York, NY 10036		
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	102	17.0%
Massachusetts Premium Income (NMT) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	111	8.2%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	383	28.2%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	381	28.0%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	209	15.37%
Insured Massachusetts Tax-Free Advantage (NGX) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	115	14.0%

	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
	Morgan Stanley[e] 1585 Broadway New York, NY 10036	45	5.5%
	Morgan Stanley & Co. Inc.[e] 1585 Broadway New York, NY 10036		
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	61	7.44%
Michigan Dividend Advantage (NZW) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	145	22.7%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
Michigan Premium Income (NMP) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	285	12.7%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	154	6.9%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021	293	13.08%

	Zurich, Switzerland		
Michigan Quality Income (NUM) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	375	10.0%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013 Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	491	13.1%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	487	13.0%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	479	13.17%
Missouri Premium Income (NOM) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	230	35.9%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	71	11.1%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	159	24.8%
New Jersey Dividend Advantage (NXJ) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	181	9.4%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		

	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	Morgan Stanley[(e)] 1585 Broadway New York, NY 10036	100	5.2%
	Morgan Stanley & Co. Inc.[(e)] 1585 Broadway New York, NY 10036		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	304	15.8%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	252	13.1%
New Jersey Dividend Advantage 2 (NUJ) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	206	14.9%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		
New Jersey Investment Quality (NQJ) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013	585	9.0%
	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	1,170	18.1%

	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	895	13.8%
New Jersey Premium Income (NNJ) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013	203	5.5%
	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	815	22.2%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	617	16.8%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	198	5.4%
North Carolina Dividend Advantage (NRB) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	47	6.9%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	Royal Bank of Canada(g) 200 Bay Street Toronto, Ontario M5J2J5 Canada	59	8.7%
	RBC Capital Markets(g) One Liberty Plaza 165 Broadway New York, NY 10006		

North Carolina Dividend Advantage 2 (NNO) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	113	10.1%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	35	5.44%
North Carolina Dividend Advantage 3 (NII) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	136	12.1%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
North Carolina Premium Income (NNC) Auction Rate Preferred Shares	Merrill Lynch & Co., Inc.[c] 4 World Financial Center 250 Vesey Street New York, NY 10080	617	16.8%
	Merrill Lynch, Pierce, Fenner & Smith, Inc.[c] 4 World Financial Center 250 Vesey Street New York, NY 10080	617	16.8%
Ohio Dividend Advantage (NXI) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	167	13.5%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street		

	New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	126	10.6%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	126	10.6%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	223	17.98%
Ohio Dividend Advantage 2 (NBJ) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	90	9.4%

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	82	12.9%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	118	12.77%
Ohio Dividend Advantage 3 (NVJ) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	49	7.4%

	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	121	18.33%
Ohio Quality Income (NUO) Auction Rate Preferred Shares	Citigroup Global Markets Inc.(b) 388 Greenwich Street New York, NY 10013	194	6.3%
	Citigroup Financial Products Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.(b) 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.(b) 399 Park Avenue New York, NY 10043		

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	545	17.7%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	541	17.6%
	JP Morgan Chase & Co. 270 Park Ave. New York, NY 10017	231	7.5%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	360	11.69%
Pennsylvania Dividend Advantage (NXM) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	263	26.3%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[b] 399 Park Avenue		

	New York, NY 10043		
Pennsylvania Dividend Advantage 2 (NVY) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013 Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013 Citigroup Global Markets Holdings Inc.[b] 388 Greenwich Street New York, NY 10013 Citigroup Inc.[b] 399 Park Avenue New York, NY 10043	267	23.4%
Pennsylvania Investment Quality (NQP) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	564	10.7%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	548	10.4%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	505	9.6%
Pennsylvania Premium Income 2 (NPY) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	522	11.0%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	496	10.5%
Texas Quality Income (NTX) Auction Rate Preferred Shares	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	1,146	41.5%
		1,077	39.0%

	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080		
	Morgan Stanley[e] 1585 Broadway New York, NY 10036 Morgan Stanley & Co. Inc.[e] 1585 Broadway New York, NY 10036	168	6.1%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	181	6.56%
Virginia Dividend Advantage (NGB) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[b] 388 Greenwich Street New York, NY 10013	158	16.5%
	Citigroup Financial Products Inc.[b] 388 Greenwich Street New York, NY 10013		

Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	Morgan Stanley[(e)] 1585 Broadway New York, NY 10036	102	10.6%
	Morgan Stanley & Co. Inc.[(e)] 1585 Broadway New York, NY 10036		
Virginia Dividend Advantage 2 (NNB) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	300	17.9%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		

	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	171	10.2%
	Bank of America, N.A. 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	97	5.8%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	108	6.43%
Virginia Premium Income (NPV) Auction Rate Preferred Shares	Citigroup Global Markets Inc.[(b)] 388 Greenwich Street New York, NY 10013	200	7.8%
	Citigroup Financial Products Inc.[(b)] 388 Greenwich Street New York, NY 10013		
	Citigroup Global Markets Holdings Inc.[(b)] 388 Greenwich Street New York, NY 10013		

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Fund and Class	Shareholder Name and Address	Amount of Shares Owned	Percentage Owned
	Citigroup Inc.[(b)] 399 Park Avenue New York, NY 10043		
	Bank of America Corporation 100 North Tryon Street, Floor 25 Bank of America Corporate Center Charlotte, NC 28255	386	15.1%
	Merrill Lynch, Pierce, Fenner & Smith, Inc. 4 World Financial Center 250 Vesey Street New York, NY 10080	265	10.4%
	UBS AG Bahnhoftstrasse 45 PO Box CH-8021 Zurich, Switzerland	137	5.37%

* The information contained in this table is based on Schedule 13G filings made on or after December 1, 2008.

(a) First Trust Portfolios L.P., First Trust Advisors L.P. and The Charger Corporation filed their schedule 13G jointly and did not differentiate holdings as to each entity.

(b) Citigroup Global Markets Inc., Citigroup Financial Products Inc., Citigroup Global Markets Holdings Inc. and Citigroup Inc. filed their Schedule 13G jointly and did not differentiate holdings as to each entity.

(c) Merrill Lynch & Co. and Merrill Lynch, Pierce, Fenner & Smith, Inc. filed their Schedule 13G jointly and did not differentiate holdings as to each entity.

(d) Bank of America Corporation and Blue Ridge Investments, L.L.C. filed their schedule 13G jointly and did not differentiate holdings as to each entity.

(e) Morgan Stanley and Morgan Stanley & Co., Inc. filed their schedule 13G jointly and did not differentiate holdings as to each entity.

(f)

Bank of America Corporation and Merrill Lynch, Pierce, Fenner & Smith, Inc. filed their schedule 13G jointly and did not differentiate holdings as to each entity.

(g) Royal Bank of Canada and RBC Capital Markets filed their Schedule 13G jointly and did not differentiate holdings as to each entity.

APPENDIX C

NUMBER OF BOARD AND COMMITTEE MEETINGS HELD DURING EACH FUND S LAST FISCAL YEAR

Fund	Regular Board Meeting	Special Board Meeting	Executive Committee Meeting	Dividend Committee Meeting	Compliance, Risk Management and Regulatory Oversight Committee Meeting	Audit Committee Meeting	Nominating and Governance Committee Meeting
Floating Rate Income							
Floating Rate Income Opportunity							
Senior Income							
Tax Advantage Floating Rate							
Arizona Dividend Advantage							
Arizona Dividend Advantage 2							
Arizona Dividend Advantage 3							
Arizona Premium Income							
California Dividend Advantage							
California Dividend Advantage 2							
California Dividend Advantage 3							
California Investment Quality							
California Market Opportunity							
California Value							
California Performance Plus							
California Premium Income							
California Quality Income							
California Select Quality							
Insured California Dividend Advantage							
Insured California Premium Income							
Insured California Premium Income 2							

Fund	Regular Board Meeting	Special Board Meeting	Executive Committee Meeting	Dividend Committee Meeting	Compliance, Risk Management and Regulatory Oversight Committee Meeting	Audit Committee Meeting	Nominating and Governance Committee Meeting
Insured California Tax-Free Advantage							
Connecticut Dividend Advantage							
Connecticut Dividend Advantage 2							
Connecticut Dividend Advantage 3							
Connecticut Premium Income							
Georgia Dividend Advantage							
Georgia Dividend Advantage 2							
Georgia Premium Income							
Maryland Dividend Advantage							
Maryland Dividend Advantage 2							
Maryland Dividend Advantage 3							
Maryland Premium Income							
Massachusetts Dividend Advantage							
Massachusetts Premium Income							
Insured Massachusetts Tax-Free Advantage							
Michigan Dividend Advantage							
Michigan Premium Income							
Michigan Quality Income							
Missouri Premium Income							
New Jersey Dividend Advantage							
New Jersey Dividend Advantage 2							
New Jersey Investment Quality							
New Jersey Premium Income							
North Carolina Dividend Advantage							
North Carolina Dividend Advantage 2							
North Carolina Dividend Advantage 3							

Fund	Regular Board Meeting	Special Board Meeting	Executive Committee Meeting	Dividend Committee Meeting	Compliance, Risk Management and Regulatory Oversight Committee Meeting	Audit Committee Meeting	Nominating and Governance Committee Meeting
North Carolina Premium Income							
Ohio Dividend Advantage							
Ohio Dividend Advantage 2							
Ohio Dividend Advantage 3							
Ohio Quality Income							
Pennsylvania Dividend Advantage							
Pennsylvania Dividend Advantage 2							
Pennsylvania Investment Quality							
Pennsylvania Premium Income 2							
Texas Quality Income							
Virginia Dividend Advantage							
Virginia Dividend Advantage 2							
Virginia Premium Income							

Appendix D

NUVEEN FUND BOARD
AUDIT COMMITTEE CHARTER

I. Organization and Membership

There shall be a committee of each Board of Directors/Trustees (the Board) of the Nuveen Management Investment Companies (the Funds or, individually, a Fund) to be known as the Audit Committee. The Audit Committee shall be comprised of at least three Directors/Trustees. Audit Committee members shall be independent of the Funds and free of any relationship that, in the opinion of the Directors/Trustees, would interfere with their exercise of independent judgment as an Audit Committee member. In particular, each member must meet the independence and experience requirements applicable to the Funds of the exchanges on which shares of the Funds are listed, Section 10a of the Securities Exchange Act of 1934 (the Exchange Act), and the rules and regulations of the Securities and Exchange Commission (the Commission). Each such member of the Audit Committee shall have a basic understanding of finance and accounting, be able to read and understand fundamental financial statements, and be financially literate, and at least one such member shall have accounting or related financial management expertise, in each case as determined by the Directors/Trustees, exercising their business judgment (this person may also serve as the Audit Committee s financial expert as defined by the Commission). The Board shall appoint the members and the Chairman of the Audit Committee, on the recommendation of the Nominating and Governance Committee. The Audit Committee shall meet periodically but in any event no less frequently than on a semi-annual basis. Except for the Funds, Audit Committee members shall not serve simultaneously on the audit committees of more than two other public companies.

II. Statement of Policy, Purpose and Processes

The Audit Committee shall assist the Board in oversight and monitoring of (1) the accounting and reporting policies, processes and practices, and the audits of the financial statements, of the Funds; (2) the quality and integrity of the financial statements of the Funds; (3) the Funds compliance with legal and regulatory requirements, (4) the independent auditors qualifications, performance and independence; and (5) oversight of the Pricing Procedures of the Funds and the Valuation Group. In exercising this oversight, the Audit Committee can request other committees of the Board to assume responsibility for some of the monitoring as long as the other committees are composed exclusively of independent directors.

In doing so, the Audit Committee shall seek to maintain free and open means of communication among the Directors/Trustees, the independent auditors, the internal auditors and the management of the Funds. The Audit Committee shall meet periodically with Fund management, the Funds internal auditor, and the Funds independent auditors, in separate executive sessions. The Audit Committee shall prepare reports of the Audit Committee as required by the Commission to be included in the Fund s annual proxy statements or otherwise.

The Audit Committee shall have the authority and resources in its discretion to retain special legal, accounting or other consultants to advise the Audit Committee and to otherwise discharge its responsibilities, including appropriate funding as determined by the Audit Committee for compensation to independent auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for a Fund, compensation to advisers employed by the Audit Committee, and ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties, as determined in its discretion. The Audit Committee may request any officer or employee of Nuveen Investments, Inc. (or its affiliates) (collectively, Nuveen) or the Funds independent auditors or outside counsel to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. The Funds independent auditors and internal auditors shall have unrestricted accessibility at any time to Committee members.

Responsibilities

Fund management has the primary responsibility to establish and maintain systems for accounting, reporting, disclosure and internal control.

The independent auditors have the primary responsibility to plan and implement an audit, with proper consideration given to the accounting, reporting and internal controls. Each independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Funds shall report directly to the Audit Committee. The independent auditors are ultimately accountable to the Board and the Audit Committee. It is the ultimate responsibility of the Audit Committee to select, appoint, retain, evaluate, oversee and replace any independent auditors and to determine their compensation, subject to ratification of the Board, if required. These Audit Committee responsibilities may not be delegated to any other Committee or the Board.

The Audit Committee is responsible for the following:

With respect to Fund financial statements:

A. Reviewing and discussing the annual audited financial statements and semiannual financial statements with Fund management and the independent auditors including major issues regarding accounting and auditing principles and practices, and the Funds disclosures in its periodic reports under Management s Discussion and Analysis.

B. Requiring the independent auditors to deliver to the Chairman of the Audit Committee a timely report on any issues relating to the significant accounting policies, management judgments and accounting estimates or other matters that would need to be communicated under Statement on Auditing Standards (sas) No. 90, Audit Committee Communications (which amended sas No. 61, Communication with Audit Committees), that arise during the auditors review of the Funds financial statements, which information the Chairman shall further communicate to the other members of the Audit Committee, as deemed necessary or appropriate in the Chairman s judgment.

C. Discussing with management the Funds press releases regarding financial results and dividends, as well as financial information and earnings guidance provided to analysts and rating agencies. This discussion may be done generally, consisting of discussing the types of information to be disclosed and the types of presentations to be made. The Chairman of the Audit Committee shall be authorized to have these discussions with management on behalf of the Audit Committee.

D. Discussing with management and the independent auditors (a) significant financial reporting issues and judgments made in connection with the preparation and presentation of the Funds financial statements, including any significant changes in the Funds selection or application of accounting principles and any major issues as to the adequacy of the Funds internal controls and any special audit steps adopted in light of material control deficiencies; and (b) analyses prepared by Fund management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative gaap methods on the financial statements.

E. Discussing with management and the independent auditors the effect of regulatory and accounting initiatives on the Funds financial statements.

F. Reviewing and discussing reports, both written and oral, from the independent auditors and/or Fund management regarding (a) all critical accounting policies and practices to be used; (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative treatments and disclosures, and the treatment preferred by the independent auditors; and (c) other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.

G. Discussing with Fund management the Funds major financial risk exposures and the steps management has taken to monitor and control these exposures, including the Funds risk assessment and risk management policies and guidelines. In fulfilling its obligations under this paragraph, the Audit Committee may review in a general manner the processes other Board committees have in place with respect to risk assessment and risk management.

H. Reviewing disclosures made to the Audit Committee by the Funds principal executive officer and principal financial officer during their certification process for the Funds periodic reports about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Funds internal controls. In fulfilling its obligations under this paragraph, the Audit Committee may review in a general manner the processes other Board committees have in place with respect to deficiencies in internal controls, material weaknesses, or any fraud associated with internal controls.

With respect to the independent auditors:

A. Selecting, appointing, retaining or replacing the independent auditors, subject, if applicable, only to Board and shareholder ratification; and compensating, evaluating and overseeing the work of the independent auditor (including the resolution of disagreements between Fund management and the independent auditor regarding financial reporting).

B. Meeting with the independent auditors and Fund management to review the scope, fees, audit plans and staffing for the audit, for the current year. At the conclusion of the audit, reviewing such audit results, including the independent auditors evaluation of the Funds financial and internal controls, any comments or recommendations of the independent auditors, any audit problems or difficulties and management s response, including any restrictions on the scope of the independent auditor s activities or on access to requested information, any significant disagreements with management, any accounting adjustments noted or proposed by the auditor but not made by the Fund, any communications between the audit team and the audit firm s national office regarding auditing or accounting issues presented by the engagement, any significant changes required from the originally planned audit programs and any adjustments to the financial statements recommended by the auditors.

C. Pre-approving all audit services and permitted non-audit services, and the terms thereof, to be performed for the Funds by their independent auditors, subject to the de minimis exceptions for non-audit services described in Section 10a of the Exchange Act that the Audit Committee approves prior to the completion of the audit, in accordance with any policies or procedures relating thereto as adopted by the Board or the Audit Committee. The Chairman of the Audit Committee shall be authorized to give pre-approvals of such non-audit services on behalf of the Audit Committee.

D. Obtaining and reviewing a report or reports from the independent auditors at least annually (including a formal written statement delineating all relationships between the auditors and the Funds consistent with Independent Standards Board Standard 1, as may be amended, restated, modified or replaced) regarding (a) the independent auditor s internal quality-control procedures; (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years, respecting one or more independent audits carried out by the firm; (c) any steps taken to deal with any such issues; and (d) all relationships between the independent auditor and the Funds and their affiliates, in order to assist the Audit committee in assessing the auditor s independence. After reviewing the foregoing report[s] and the independent auditor s work throughout the year, the Audit Committee shall be responsible for evaluating the qualifications, performance and independence of the independent auditor and their compliance with all applicable requirements for independence and peer review, and a review and evaluation of the lead partner, taking into account the opinions of Fund management and the internal auditors, and discussing such reports with the independent auditors. The Audit Committee shall present its conclusions with respect to the independent auditor to the Board.

E. Reviewing any reports from the independent auditors mandated by Section 10a(b) of the Exchange Act regarding any illegal act detected by the independent auditor (whether or not perceived to have a material effect on the Funds financial statements) and obtaining from the independent auditors any information about illegal acts in accordance with Section 10a(b).

F. Ensuring the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law, and further considering the rotation of the independent auditor firm itself.

G. Establishing and recommending to the Board for ratification policies for the Funds , Fund management or the Fund adviser s hiring of employees or former employees of the independent auditor who participated in the audits of the Funds.

H. Taking, or recommending that the Board take, appropriate action to oversee the independence of the outside auditor.

With respect to any internal auditor:

A. Reviewing the proposed programs of the internal auditor for the coming year. It is not the obligation or responsibility of the Audit Committee to confirm the independence of any Nuveen internal auditors performing services relating to the Funds or to approve any termination or replacement of the Nuveen Manager of Internal Audit.

B. Receiving a summary of findings from any completed internal audits pertaining to the Funds and a progress report on the proposed internal audit plan for the Funds, with explanations for significant deviations from the original plan.

With respect to pricing and valuation oversight:

A. The Board has responsibilities regarding the pricing of a Fund s securities under the 1940 Act. The Board has delegated this responsibility to the Committee to address valuation issues that arise between Board meetings, subject to the Board s general supervision of such actions. The Committee is primarily responsible for the oversight of the Pricing Procedures and actions taken by the internal Valuation Group (Valuation Matters). The Valuation Group will report on Valuation Matters to the Committee and/or the Board of Directors/Trustees, as appropriate.

B. Performing all duties assigned to it under the Funds Pricing Procedures, as such may be amended from time to time.

C. Periodically reviewing and making recommendations regarding modifications to the Pricing Procedures as well as consider recommendations by the Valuation Group regarding the Pricing Procedures.

D. Reviewing any issues relating to the valuation of a Fund s securities brought to the Committee s attention, including suspensions in pricing, pricing irregularities, price overrides, self-pricing, nav errors and corrections thereto, and other pricing matters. In this regard, the Committee should consider the risks to the Funds in assessing the possible resolutions of these Valuation Matters.

E. Evaluating, as it deems necessary or appropriate, the performance of any pricing agent and recommend changes thereto to the full Board.

F. Reviewing any reports or comments from examinations by regulatory authorities relating to Valuation Matters of the Funds and consider management s responses to any such comments and, to the extent the Committee deems necessary or appropriate, propose to management and/or the full Board the modification of the Fund s policies and procedures relating to such matters. The Committee, if deemed necessary or desirable, may also meet with regulators.

G. Meeting with members of management of the Funds, outside counsel, or others in fulfilling its duties hereunder, including assessing the continued appropriateness and adequacy of the Pricing Procedures, eliciting any recommendations for improvements of such procedures or other Valuation Matters, and assessing the possible resolutions of issues regarding Valuation Matters brought to its attention.

H. Performing any special review, investigations or oversight responsibilities relating to Valuation as requested by the Board of Directors/Trustees.

I. Investigating or initiating an investigation of reports of improprieties or suspected improprieties in connection with the Fund s policies and procedures relating to Valuation Matters not otherwise assigned to another Board committee.

Other responsibilities:

A. Reviewing with counsel to the Funds, counsel to Nuveen, the Fund adviser s counsel and independent counsel to the Board legal matters that may have a material impact on the Fund s financial statements or compliance policies.

B. Receiving and reviewing periodic or special reports issued on exposure/controls, irregularities and control failures related to the Funds.

C. Reviewing with the independent auditors, with any internal auditor and with Fund management, the adequacy and effectiveness of the accounting and financial controls of the Funds, and eliciting any recommendations for the improvement of internal control procedures or particular areas where new or more detailed controls or procedures are desirable. Particular emphasis should be given to the adequacy of such internal controls to expose payments, transactions or procedures that might be deemed illegal or otherwise improper.

D. Reviewing the reports of examinations by regulatory authorities as they relate to financial statement matters.

E. Discussing with management and the independent auditor any correspondence with regulators or governmental agencies that raises material issues regarding the Funds financial statements or accounting policies.

F. Obtaining reports from management with respect to the Funds policies and procedures regarding compliance with applicable laws and regulations.

G. Reporting regularly to the Board on the results of the activities of the Audit Committee, including any issues that arise with respect to the quality or integrity of the Funds financial statements, the Funds compliance with legal or regulatory requirements, the performance and independence of the Funds independent auditors, or the performance of the internal audit function.

H. Performing any special reviews, investigations or oversight responsibilities requested by the Board.

I. Reviewing and reassessing annually the adequacy of this charter and recommending to the Board approval of any proposed changes deemed necessary or advisable by the Audit Committee.

J. Undertaking an annual review of the performance of the Audit Committee.

K. Establishing procedures for the receipt, retention and treatment of complaints received by the Funds regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission of concerns regarding questionable accounting or auditing matters by employees of Fund management, the

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investment adviser, administrator, principal underwriter, or any other provider of accounting related services for the Funds, as well as employees of the Funds.

Although the Audit Committee shall have the authority and responsibilities set forth in this Charter, it is not the responsibility of the Audit Committee to plan or conduct audits or to determine that the Funds financial statements are complete and accurate and are in accordance with generally accepted accounting principles. That is the responsibility of management and the independent auditors. Nor is it the duty of the Audit Committee to conduct investigations, to resolve disagreements, if any, between management and the independent auditors or to ensure compliance with laws and regulations.

Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606-1286

(800) 257-8787

www.nuveen.com

NUV1109

Nuveen Investments 333 West Wacker Dr. Chicago IL 60606
www.nuveen.com

999 999 999 999 99

3 EASY WAYS TO VOTE YOUR PROXY

1. Automated Touch Tone Voting: Call toll-free 1-888- ___-___and follow the recorded instructions.

2. On the Internet at www.proxyweb.com, and follow the simple instructions.

3. Sign, Date and Return this proxy card using the enclosed postage-paid envelope.

FUND NAME PRINTS HERE

THIS PROXY IS SOLICITED BY THE BOARD OF THE FUND FOR AN ANNUAL MEETING OF SHAREHOLDERS, NOVEMBER 30, 2009

COMMON SHARES

The Annual Meeting of shareholders will be held Monday, November 30, 2009 at ___:___ a.m. Central time, in the [31st floor conference room of Nuveen Investments, 333 West Wacker Drive, Chicago, Illinois, 60606]. At this meeting, you will be asked to vote on the proposals described in the proxy statement attached. The undersigned hereby appoints Kevin J. McCarthy and Gifford R. Zimmerman, and each of them, with full power of substitution, proxies for the undersigned, to represent and vote the shares of the undersigned at the Annual Meeting of shareholders to be held on November 30, 2009, or any adjournment or adjournments thereof.

WHETHER OR NOT YOU PLAN TO JOIN US AT THE MEETING, PLEASE COMPLETE, DATE AND SIGN YOUR PROXY CARD AND RETURN IT IN THE ENCLOSED ENVELOPE SO THAT YOUR VOTE WILL BE COUNTED. AS AN ALTERNATIVE, PLEASE CONSIDER VOTING BY TELEPHONE AT (888) ___-___ OR OVER THE INTERNET (www.proxyweb.com).

Date:______________________

SIGN HERE EXACTLY AS NAME(S) APPEAR(S) ON LEFT.
(Please sign in Box)

NOTE: PLEASE SIGN YOUR NAME EXACTLY AS IT APPEARS ON THIS PROXY. IF SHARES ARE HELD JOINTLY, EACH HOLDER MUST SIGN THE PROXY. IF YOU ARE SIGNING ON BEHALF OF AN ESTATE, TRUST OR CORPORATION, PLEASE STATE YOUR TITLE OR CAPACITY.

NFZ-NKR-NXE-NAC-NVX-
NZH-NFC-NGK-NGO-NKG-
NFM-NZR-NWI-NMB-NZW-
NXJ-NUJ-NRB-NNO-NXI-
NBJ-NVJ-NXM-NVY

In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Annual Meeting.

Properly executed proxies will be voted as specified. If no specification is made, such shares will be voted FOR each proposal.

Please fill in box(es) as shown using black or blue ink or number 2 pencil. x
PLEASE DO NOT USE FINE POINT PENS.

1c.	Election of Board Members: Class III: (01) Robert P. Bremner (02) Jack B. Evans	**FOR NOMINEES** listed at left (except as marked to the contrary) o	**WITHHOLD AUTHORITY** to vote for all nominees listed at left o	
	(INSTRUCTION: To withhold authority to vote for any individual nominee(s), write the number(s) of the nominee(s) on the line provided above.)	**FOR**	**AGAINST**	**ABSTAIN**
2a.	To approve the elimination of the Fund s fundamental policies relating to investments in municipal securities and below investment grade securities.	o	o	o
2b.	To approve the new fundamental policy relating to investments in municipal securities.	o	o	o
4.	To transact such other business as may properly come before the Annual Meeting.			

PLEASE SIGN ON REVERSE SIDE

Nuveen Investments 333 West Wacker Dr. Chicago IL 60606
www.nuveen.com

999 999 999 999 99

3 EASY WAYS TO VOTE YOUR PROXY

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2. On the Internet at www.proxyweb.com, and follow the simple instructions.

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FUND NAME PRINTS HERE
PREFERRED SHARES

THIS PROXY IS SOLICITED BY THE BOARD OF THE FUND FOR AN ANNUAL MEETING OF SHAREHOLDERS, NOVEMBER 30, 2009

The Annual Meeting of shareholders will be held Monday, November 30, 2009 at ___:___ a.m. Central time, in the [31st floor conference room of Nuveen Investments, 333 West Wacker Drive, Chicago, Illinois, 60606]. At this meeting, you will be asked to vote on the proposals described in the proxy statement attached. The undersigned hereby appoints Kevin J. McCarthy and Gifford R. Zimmerman, and each of them, with full power of substitution, proxies for the undersigned, to represent and vote the shares of the undersigned at the Annual Meeting of shareholders to be held on November 30, 2009, or any adjournment or adjournments thereof.

WHETHER OR NOT YOU PLAN TO JOIN US AT THE MEETING, PLEASE COMPLETE, DATE AND SIGN YOUR PROXY CARD AND RETURN IT IN THE ENCLOSED ENVELOPE SO THAT YOUR VOTE WILL BE COUNTED. AS AN ALTERNATIVE, PLEASE CONSIDER VOTING BY TELEPHONE AT (888) ___-___ OR OVER THE INTERNET (www.proxyweb.com).

\- Date:______________________

SIGN HERE EXACTLY AS NAME(S) APPEAR(S) ON LEFT.

(Please sign in Box)

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\- -

NFZ-NKR-NXE-NAC-NVX-
NZH-NFC-NGK-NGO-NKG-
NFM-NZR-NWI-NMB-NZW-
NXJ-NUJ-NRB-NNO-NXI-
NBJ-NVJ-NXM-NVY

In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Annual Meeting.
Properly executed proxies will be voted as specified. If no specification is made, such shares will be voted FOR each proposal.

Please fill in box(es) as shown using black or blue ink or number 2 pencil. x
PLEASE DO NOT USE FINE POINT PENS.

1c.	Election of Board Members: Class III: (01) Robert P. Bremner (02) Jack B. Evans	<u>Preferred Shares Only:</u> (03) William C. Hunter (04) William J. Schneider	**FOR NOMINEES** listed at left (except as marked to the contrary)	**WITHHOLD AUTHORITY** to vote for all nominees listed at left	
			o	o	
	(INSTRUCTION: To withhold authority to vote for any individual nominee(s), write the number(s) of the nominee(s) on the line provided above.)		**FOR**	**AGAINST**	**ABSTAIN**
2a.	To approve the elimination of the Fund s fundamental policies relating to investments in municipal securities and below investment grade securities.		o	o	o
2b.	To approve the new fundamental policy relating to investments in municipal securities.		o	o	o
4.	To transact such other business as may properly come before the Annual Meeting.				

PLEASE SIGN ON REVERSE SIDE