

Nuveen Floating Rate Income Opportunity Fund

Form 497

March 06, 2017

**The information in this prospectus supplement is not complete and may be changed. A registration statement relating to these securities was filed with the Securities and Exchange Commission and became effective. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**Subject to Completion**

**Prospectus Supplement dated March 6, 2017**

Nuveen Floating Rate Income Opportunity Fund  
Filed Pursuant to Rule 497(c)  
Registration Statement No. 333-212356

***PROSPECTUS SUPPLEMENT***

**(To Prospectus dated November 14, 2016)**

**\$**

***Nuveen Floating Rate Income Opportunity Fund***

***TERM PREFERRED SHARES***

*Shares, Series [2022-1]*

*Liquidation Preference \$1,000 Per Share*

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***The Offering.*** Nuveen Floating Rate Income Opportunity Fund (the *Fund*) is offering, on an immediate, continuous or delayed basis, up to *Term Preferred Shares, Series [2022-1]* (*Term Preferred Shares*), with a liquidation preference of \$1,000 per share. The Fund intends to use the net proceeds from the sale of *Term Preferred Shares* to increase the Fund's leverage or to repay a portion of the Fund's borrowing under its credit agreement.

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**The Fund.** This Prospectus Supplement, together with the accompanying prospectus, sets forth concisely information about the Term Preferred Shares that a prospective investor should know before investing, and should be retained for future reference. If there is any inconsistency between the information in this Prospectus Supplement and the information in the accompanying prospectus, you should rely on the information in this Prospectus Supplement. The Fund is a diversified, closed-end management investment company. The Fund's investment objective is to achieve a high level of current income.

**Unlisted Shares.** The Term Preferred Shares are not listed or traded on any securities exchange. An investment in Term Preferred Shares may be illiquid and there may be no active secondary trading market. Thus, Term Preferred Shares are not suitable for investors who seek the return of their investment within a specified timeframe before the term redemption date of the Term Preferred Shares.

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**Investing in Term Preferred Shares involves risks. See Risk Factors beginning on page 47 of the accompanying prospectus. Certain of these risks are summarized in Prospectus Summary Special Risk Considerations beginning on page 13 of the accompanying prospectus. Although Term Preferred Shares are senior securities of the Fund, with priority in all respects to the Fund's common shares, you could lose some or all of your investment.**

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

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PRICE \$1,000 A SHARE

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	<u>Price to Public</u>	<u>Underwriting Discounts and Commissions</u>	<u>Estimated Offering Costs<sup>(1)(2)</sup></u>	<u>Proceeds, after expenses, to the Fund</u>
Per Share	\$1,000	\$	\$	\$
Total	\$	\$	\$	\$

<sup>(1)</sup> Total expenses of issuance and distribution, excluding underwriting discounts and commissions, are estimated to be \$ .

<sup>(2)</sup> The Fund has agreed to pay, from its own assets, an upfront structuring fee to Morgan Stanley & Co. LLC. See Underwriter Additional Compensation to be Paid by the Fund on pages 28-29 of this Prospectus Supplement. This fee is included in Estimated Offering Costs above.

**Book-Entry Only.** It is expected that the Term Preferred Shares will be delivered to the underwriter in book-entry form only, through the facilities of The Depository Trust Company, on or about [March ], 2017.

CUSIP No. 6706EN AD2

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*MORGAN STANLEY*

, 2017

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**Investment Strategies.** The Fund invests at least 80% of its Managed Assets (as defined on page 8 of the accompanying prospectus) in adjustable rate loans, primarily secured senior loans. As part of the 80% requirement, the Fund also may invest in adjustable rate unsecured senior loans and adjustable rate secured and unsecured subordinated loans. Senior Loans that the Fund intends to invest in are usually rated below investment grade, and share the same risks of other below investment grade debt instruments. The Fund invests at least 65% of its Managed Assets in adjustable rate senior loans that are secured by specific collateral. Adjustable rate loans are made to U.S. or non-U.S. corporations, partnerships and other similar types of business entities that operate in various industries and geographical regions. Such adjustable rate loans pay interest at rates that are redetermined periodically at short-term intervals on the basis of an adjustable base lending rate plus a premium. The Fund may invest its Managed Assets without limit in adjustable rate loans and other debt instruments that are, at the time of investment, rated below investment grade or unrated but judged to be of comparable quality; however, the Fund may not invest, at the time of investment, more than 30% of its Managed Assets in securities rated below CCC+ or Caa, including securities in default. Substantially all of the Fund's portfolio likely will be invested in debt instruments of below investment grade quality. Investments rated below investment grade, or that are unrated but of equivalent credit quality, are commonly referred to as "junk bonds" and have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal when due.

The Fund may invest up to 20% of its Managed Assets in securities of non-U.S. issuers, which may include debt securities of issuers located, or conducting their business in, emerging markets countries.

**Leverage.** Regulatory leverage consists of "senior securities" as defined under the Investment Company Act of 1940, as amended (the "1940 Act"), which include (1) borrowings, including loans from financial institutions ("Borrowings"); (2) issuance of debt securities; and (3) issuance of preferred shares ((1),(2), and (3) are hereinafter collectively referred to as "regulatory leverage"). The Fund currently has outstanding (1) borrowings, (2) Term Preferred Shares, Series 2023, (3) Term Preferred Shares, Series 2027 and (4) Term Preferred Shares, Series 2022. In addition to Regulatory Leverage, the Fund may utilize derivatives such as credit default swaps, interest rate swaps and total return swaps that have the economic effect of leverage by creating additional investment exposure. See "The Fund's Investments." There is no assurance that the Fund's leveraging strategy will be successful. Leverage involves special risks. See "Risk Factors Fund Level Risks Leverage Risk" in the accompanying prospectus.

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Initial Dividend Rate: [2.500]% Series [2022-1] Term Preferred Shares

The dividend rate payable on the Term Preferred Shares on any date will be determined in accordance with the Fund's Statement Establishing and Fixing the Rights and Preferences of Term Preferred Shares (the "Statement") and with reference to the following table:

<u>Date</u>	<u>Dividend Rate</u>
From and including the Date of Original Issue to but excluding [April 1, 2020]	[2.500]%
From and including [April 1, 2020] to but excluding [April 1, 2021]	[4.000]%
From and including [April 1, 2021] to but excluding [April 1, 2022]	[6.000]%

See "Description of Term Preferred Shares Dividends and Dividend Periods."

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**Dividends.** *Dividends on the Term Preferred Shares will be payable monthly. The first dividend period for the Term Preferred Shares will commence on the date of original issuance of Term Preferred Shares and end on [April 30, 2017] and each subsequent dividend period will be a calendar month (or the portion thereof occurring prior to the redemption of such Term Preferred Shares). Dividends will be paid on the first business day of the month next following a dividend period and upon redemption of the Term Preferred Shares (each payment date a Dividend Payment Date ). Dividends with respect to any monthly dividend period will be declared and paid to holders of record of Term Preferred Shares as their names shall appear on the registration books of the Fund at the close of business on the day immediately preceding such Dividend Payment Date (or, if such day is not a business day, the next preceding business day).*

**Redemption.** *The Fund is required to redeem the Term Preferred Shares on [April 1, 2022] unless earlier redeemed or repurchased by the Fund. In addition, Term Preferred Shares are subject to optional redemption by the Fund in certain circumstances. Term Preferred Shares will be subject to redemption at the option of the Fund, subject to payment of a premium through [April 1, 2018], and at their liquidation preference thereafter. See Description of Term Preferred Shares Redemption.*

(continued from previous page)

**Priority of Payment.** *The Fund has entered into a credit agreement with The Toronto-Dominion Bank, New York Branch as lender ( TD Bank ) (the Credit Agreement ), and has an outstanding balance. See Use of Leverage. The rights of lenders, such as TD Bank and any other creditors, to receive payments of interest on and repayments of principal of any borrowings are senior to the rights of holders of Term Preferred Shares and the Fund's common shares, with respect to the payment of dividends and other distributions, and upon liquidation. The Fund may not be permitted to redeem Term Preferred Shares unless at such time, the Fund meets certain asset coverage requirements and no event of default or other circumstance exists under the Credit Agreement that would limit or otherwise block payments in redemption. Term Preferred Shares, however, will be senior securities that represent stock of the Fund and are senior, with priority in all respects, to the Fund's common shares as to payments of dividends and as to distribution of assets upon dissolution, liquidation or winding up of the affairs of the Fund. The Fund may issue additional preferred shares on parity with Term Preferred Shares, subject to certain limitations. The Fund may not issue additional classes of shares that are senior to Term Preferred Shares and other outstanding preferred shares of the Fund as to payments of dividends or as to distribution of assets upon dissolution, liquidation or winding up of the affairs of the Fund. See Description of Term Preferred Shares.*

**Redemption and Paying Agent.** *The redemption and paying agent for Term Preferred Shares will be State Street Bank and Trust Company, Canton, Massachusetts. State Street has subcontracted the redemption and paying agency servicing of the Fund to Computershare Inc.*

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*You should read this Prospectus Supplement, together with the accompanying prospectus, which contains important information about the Fund, before deciding whether to invest in Term Preferred Shares and retain it for future reference. A Statement of Additional Information, dated November 14, 2016, and as it may be supplemented, containing additional information about the Fund has been filed with the SEC and is incorporated by reference in its entirety into this Prospectus Supplement and the accompanying prospectus. You may request a free copy of the Statement of Additional Information, the table of contents of which is on page 75 of the accompanying prospectus, annual and semi-annual reports to shareholders, when available, and other information about the Fund, and make shareholder inquiries by calling (800) 257-8787 or by writing to the Fund, or from the Fund's website ([www.nuveen.com](http://www.nuveen.com)). The information contained in, or that can be accessed through, the Fund's website is not part of this Prospectus Supplement. You also may obtain a copy of the Statement of Additional Information (and other information regarding the Fund) from the SEC's website ([www.sec.gov](http://www.sec.gov)).*

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***Term Preferred Shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.***

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**Prospectus**

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You should rely only on the information contained or incorporated by reference into this Prospectus Supplement. The Fund has not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you

should not rely on it. The Fund is not making an offer of Term Preferred Shares in any state where the offer is not permitted. You should not assume that the information contained in this Prospectus Supplement and the accompanying prospectus is accurate as of any date other than the dates on the front of this Prospectus Supplement and the accompanying prospectus. The Fund's business, financial condition and prospects may have changed since such dates. The Fund will update this Prospectus Supplement to reflect any material changes to the disclosures herein.

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**PROSPECTUS SUPPLEMENT SUMMARY**

*This is only a summary. You should review the more detailed information contained elsewhere in this Prospectus Supplement, in the accompanying prospectus and in the Statement of Additional Information, dated November 14, 2016, and as it may be supplemented (the SAI), including the Fund's Statement Establishing and Fixing the Rights and Preferences of Term Preferred Shares, Series [2022-1] (the Statement), attached as Appendix A to the SAI, prior to making an investment in the Fund, especially the information set forth under the heading Risk Factors in the accompanying prospectus.*

**The Fund**

Nuveen Floating Rate Income Opportunity Fund (the Fund) is a diversified, closed-end management investment company. The Fund's common shares, \$.01 par value (Common Shares), are traded on the New York Stock Exchange (the NYSE) under the symbol JRO. See Description of Outstanding Shares and Debt Common Shares. As of July 31, 2016, the Fund had 38,478,782 Common Shares outstanding, net assets applicable to Common Shares of \$435,188,829, and 750 Variable Rate Term Preferred Shares, Series C-4, with a liquidation preference of \$100,000 per share (the VRTP Shares) outstanding. All of the Fund's VRTP Shares were redeemed in 2016. Term Preferred Shares, Series [2022-1] (Term Preferred Shares), and any other preferred shares of the Fund, including Term Preferred Shares, Series 2023 (Series 2023 Term Preferred Shares), Term Preferred Shares, Series 2022 (Series 2022 Term Preferred Shares) and Term Preferred Shares, Series 2027 (Series 2027 Term Preferred Shares), that may then be outstanding are collectively referred to as Preferred Shares. The Fund commenced investment operations on July 27, 2004. Holders of Common Shares are referred to as Common Shareholders.

**The Offering**

The Fund is offering Term Preferred Shares, at a purchase price of \$1,000 per share. Term Preferred Shares are being offered by Morgan Stanley & Co. LLC, acting as underwriter. See Underwriter. The Fund intends to increase the Fund's leverage or to repay a portion of the Fund's borrowing under its Credit Agreement (as defined below). The first issuance date of the Term Preferred Shares upon the closing of this offering is referred to herein as the Date of Original Issue.

**Priority of Payment**

The Fund has entered into a credit agreement with The Toronto-Dominion Bank, New York Branch as lender (TD Bank) (the Credit Agreement), and has an outstanding balance. See Use of Leverage. Previously, the Fund was a party to a credit agreement with several conduit lenders and Citibank, N.A. as a lender, liquidity provider and agent for various lenders (the Old Credit Agreement), which was replaced by the Credit Agreement on January 30, 2017. The rights of lenders, such as TD Bank, and any other creditors to receive payments of interest on and repayments of principal of any borrowings are senior to the rights of holders of Preferred Shares, including Term Preferred Shares, and Common Shareholders (each, a Shareholder), with respect to the payment of dividends and other distributions, and upon liquidation.

Under the Credit Agreement, the Fund may not be permitted to redeem Term Preferred Shares unless at such time, no event of default or other circumstance exists under the Credit Agreement that would limit or otherwise block payments in redemption. As a condition precedent to borrowing under the Credit Agreement, the Fund must (i) have asset coverage with respect to senior securities representing indebtedness of not less than 300% and (ii) meet certain borrowing base tests. In general, asset coverage measures how well a company can repay or cover its obligations, including debt obligations like Borrowings (as defined in Use of Leverage ) under the Credit Agreement and Preferred Shares, such as the Term Preferred Shares. In general, the borrowing base is the total amount of collateral against which a lender will lend funds to a company. It typically represents a maximum cap on how much asset-based debt a company can obtain, and involves multiplying a discount factor by each type of asset used as collateral.

Under the Credit Agreement, if the Fund fails at any time to have a borrowing base asset coverage of at least 220%, the Fund must within one (1) business day of the earlier of becoming aware of or receipt of notice of such breach, take such action as to cause the borrowing base asset coverage to be equal to or greater than 220% within three (3) business days of the earlier of becoming aware of or receipt of notice of such breach.

Term Preferred Shares will be senior securities that constitute stock of the Fund and are senior, with priority in all respects, to the Fund's Common Shares as to payments of dividends and as to distribution of assets upon dissolution, liquidation or winding up of the affairs of the Fund. Term Preferred Shares have equal priority with respect to Series 2022 Term Preferred Shares, Series 2023 Term Preferred Shares and Series 2027 Term Preferred Shares. The Fund may not issue additional classes of shares that are senior to the Term Preferred Shares as to payments of dividends and as to distribution of assets upon dissolution, liquidation or winding up of the affairs of the Fund.

#### **Who May Want to Invest**

You should consider your investment goals, time horizons and risk tolerance before investing in Term Preferred Shares. An investment in Term Preferred Shares is not appropriate for all investors and is not intended to be a complete investment program. Term Preferred Shares are designed as a short-term investment to help achieve the after-tax income and capital preservation goals of investors, and not as a trading vehicle. Term Preferred Shares may be an appropriate investment for you if you are seeking:

Consistent monthly dividends;

Return of your capital investment after a limited term of approximately [five] years;

A security that benefits from significant over-collateralization and related protective provisions; and

A short-term fixed income investment with potentially less price volatility than longer-dated fixed income securities.

However, keep in mind that you will need to assume the risks associated with an investment in Term Preferred Shares and the Fund. See Risk Factors.

**Dividend Rate**

Term Preferred Shares pay a dividend at an initial rate of [2.500]% per annum of the \$1,000 liquidation preference per share, subject to adjustment as set forth below and in accordance with the Statement (the Dividend Rate). The Dividend Rate will not in any event be lower than the initial [2.500]% Dividend Rate.

The Dividend Rate payable on the Term Preferred Shares on any date will be determined with reference to the following table:

<u>Date</u>	<u>Dividend Rate</u>
From and including the Date of Original Issue to but excluding [April 1, 2020]	[2.500]%
From and including [April 1, 2020] to but excluding [April 1, 2021]	[4.000]%
From and including [April 1, 2021] to but excluding [April 1, 2022]	[6.000]%

See Description of Term Preferred Shares Dividends and Dividend Periods Dividend Rate.

**Dividend Payments**

The holders of Term Preferred Shares will be entitled to receive cumulative cash dividends and other distributions on each such share, when, as and if declared by, or under authority granted by, the Board of Trustees of the Fund (the Board of Trustees), out of funds legally available for payment. The term other distributions refers to capital gains distributions and distributions that are not treated as dividends for federal tax purposes in the event that the Fund has insufficient earnings and profits (often referred to as a return of capital). Dividends on the Term Preferred Shares will be payable monthly. The first dividend period for the Term Preferred Shares will commence on the Date of Original Issue of Term Preferred Shares and end on [April 30, 2017] and each subsequent dividend period will be a calendar month (or the portion thereof occurring prior to the redemption of such Term Preferred Shares) (each dividend period a Dividend Period). Dividends will be paid on the first Business Day of the month next following a Dividend Period and upon redemption of the Term Preferred Shares (each payment date a Dividend Payment Date). Dividends with respect to any monthly Dividend Period will be declared and paid to holders of record of Term Preferred Shares as their names shall appear on the registration books of the Fund at the close of business on the day immediately preceding such Dividend Payment Date (or, if such day is not a Business Day, the next preceding Business Day). See Description of Term Preferred Shares Dividends and Dividend Periods.

**Business Day** means any day (a) other than a day on which commercial banks in The City of New York, New York are required or authorized by law or executive order to close and (b) on which the NYSE is not closed.

On account of the foregoing provisions, only the holders of Term Preferred Shares on the record date for a Dividend Period will be entitled to receive dividends and other distributions payable with respect to such Dividend Period, and holders of Term Preferred Shares who sell shares before such a record date and purchasers of Term Preferred Shares who purchase shares after such a record date should take the effect of the foregoing provisions into account in evaluating the price to be received or paid for such Term Preferred Shares.

#### **Term Redemption**

The Fund is required to provide for the mandatory redemption of all outstanding Term Preferred Shares on [April 1, 2022] at a redemption price equal to \$1,000 per share plus an amount equal to accumulated but unpaid dividends thereon (whether or not earned or declared but excluding interest thereon) to (but excluding) the redemption date (the **Term Redemption Price** ) out of funds legally available therefore and to the extent permitted by any credit agreement in effect on such date. No amendment, alteration or repeal of the obligations of the Fund to redeem all of the Term Preferred Shares on [April 1, 2022] can be effected without the unanimous vote or consent of the holders of Term Preferred Shares outstanding at such time. See **Description of Term Preferred Shares Redemption and Voting Rights**.

#### **Asset Coverage and Corrective**

##### **Action**

If the Fund fails to have Asset Coverage (as defined under **Asset Coverage** below) of at least 225% as of the close of business on any Business Day on which such Asset Coverage is required to be calculated and such failure is not cured as of the close of business on the date that is 30 calendar days following such Business Day (the **Asset Coverage Cure Date** ), the Fund will, to the extent permitted by the Investment Company Act of 1940, as amended (the **1940 Act** ) and Massachusetts law and pursuant to the terms and conditions of any credit agreement, loan agreement, credit facility or other agreement representing borrowings of the Fund that is in effect at such time, by the close of business on the Business Day next following such Asset Coverage Cure Date, determine (i) the Corrective Action (as defined below) to be taken to cause the Fund to regain Asset Coverage; (ii) if applicable, the identity and market value of assets of the Fund to be sold in connection with a Corrective Action; and (iii) the date, which date will not be later than 20 Business Days following such Asset Coverage Cure Date, on which the Fund will regain Asset Coverage. As used herein, **Corrective Action** means, for the purpose of allowing the Fund to comply with the Asset Coverage requirements, (a) the irrevocable deposit with the Redemption and Paying Agent (as defined below) of certain securities described in the Statement to fund the redemption of

Term Preferred Shares; (b) the repayment of indebtedness of the Fund; (c) corrective trades involving Fund assets; or (d) any combination of the actions described in clauses (a) through (c) above. If Term Preferred Shares are to be redeemed in such an event, they will be redeemed out of funds legally available therefore and to the extent permitted by any credit agreement in effect on such date at a redemption price equal to their \$1,000 liquidation preference per share plus accumulated but unpaid dividends thereon (whether or not declared, but excluding interest thereon) to (but excluding) the date fixed for such redemption (the Asset Coverage Redemption Price). Corrective trades described above may be made at a time when it would be disadvantageous for the Fund to do so.

#### **Optional Redemption**

Term Preferred Shares will be subject to optional redemption (in whole or, from time to time, in part) at the sole option of the Fund out of funds legally available therefor and to the extent permitted by any credit agreement in effect on such date, at the redemption price per share equal to the sum of the \$1,000 liquidation preference per share plus (i) a premium of [0.50%] of the liquidation preference (with no such premium on or after [April 1, 2018]) and (ii) an amount equal to accumulated but unpaid dividends thereon (whether or not earned or declared but excluding interest thereon) to (but excluding) the date fixed for such redemption. See Description of Term Preferred Shares Redemption Optional Redemption.

#### **Federal and State Income Taxes**

The Fund has elected to be treated, and intends to continue to qualify each year, as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the Code). As a regulated investment company, the Fund generally does not expect to be subject to federal income tax. The Fund has received an opinion from its tax counsel that for federal income tax purposes, the Term Preferred Shares will be treated as equity in the Fund. See Tax Matters.

#### **Ratings**

The Registrant expects that the Term Preferred Shares will be rated by Fitch Ratings, part of the Fitch Group (Fitch) and Moody's Investor Service Inc. (Moody's). The Fund is obligated only to use commercially reasonable efforts to cause at least one rating agency (each a Rating Agency and collectively the Rating Agencies) to publish a credit rating with respect to the Term Preferred Shares for so long as Term Preferred Shares are outstanding. The Fund may choose a different Rating Agency or Rating Agencies to rate the Term Preferred Shares and the ratings of the Term Preferred Shares may vary.

The Fund may be subject to certain restrictions or guidelines by a Rating Agency to achieve a desired rating. Such restrictions and guidelines vary by Rating Agency and by desired ratings. These

guidelines generally include asset coverage requirements; portfolio characteristics such as portfolio diversification and credit rating criteria; and qualitative views on the Fund and Fund management. While these restrictions and guidelines may impose different requirements than those under the 1940 Act, it is not anticipated that these restrictions or guidelines will impede the management of the Fund's portfolio in accordance with the Fund's investment objective and policies.

The Fund will bear the costs associated with obtaining any rating on the Term Preferred Shares.

#### Asset Coverage

If the Fund fails to maintain at least 225% Asset Coverage as of the close of business on each Business Day, and such failure is not cured as of the Asset Coverage Cure Date under the governing documents for the Term Preferred Shares, the Fund shall be required to take Corrective Action as provided above. Asset Coverage for Term Preferred Shares is calculated pursuant to Section 18(h) of the 1940 Act, as in effect on the date of the Statement, and is determined on the basis of values calculated as of a time within 48 hours (only including Business Days) preceding each daily determination (Asset Coverage). In maintaining Asset Coverage as described above, the Fund may be required to sell a portion of its investments at a time that it may be disadvantageous for the Fund to do so if, as a result of market fluctuations or otherwise, the Fund fails to maintain the Asset Coverage of at least 225% under the Term Preferred Shares governing documents or as a result of the provisions relating to asset coverage of at least 200% under the 1940 Act. See Description of Term Preferred Shares Asset Coverage.

The Fund estimates that on the Date of Original Issue, the Asset Coverage, based on the composition of its portfolio as of July 31, 2016, and after giving effect to (i) the issuance of Term Preferred Shares offered hereby (\$ ), (ii) the redemption of a total of 750 VRTP Shares with an aggregate liquidation preference of \$75,000,000, (iii) the expensing of \$135,730, the deferred asset amount related to the redemption of the 750 VRTP Shares, (iv) \$ of underwriting discounts and commissions and estimated offering costs that will be amortized over the life of such Term Preferred Shares, (v) [the anticipated pay down of an aggregate of \$ on the Credit Agreement with the proceeds of this offering of Term Preferred Shares,] (vi) the issuance of \$8,000,000 in aggregate liquidation preference of Series 2023 Term Preferred Shares on November 23, 2016, (vii) the issuance of \$10,000,000 in aggregate liquidation preference of Series 2022 Term Preferred Shares on December 23, 2016, (viii) the issuance of \$45,000,000 in aggregate liquidation preference of Series 2027 Term Preferred Shares on December 22, 2016, (ix) a total of \$ of underwriting discounts and commissions and estimated offering costs that will be amortized over the life of the Series 2023

Term Preferred Shares, Series 2022 Term Preferred Shares and Series 2027 Term Preferred Shares, as applicable, (x) the draw down of \$24,000,000 under the Old Credit Agreement, to redeem the excess of VRTP Shares redeemed with the proceeds of the Series 2023 Term Preferred Shares offering over the amount of Series 2023 Term Preferred Shares previously issued.

**Voting Rights**

Except as otherwise provided in the Fund's Declaration of Trust, the Statement or as otherwise required by law, (i) each holder of Term Preferred Shares shall be entitled to one vote for each Term Preferred Share held by such holder on each matter submitted to a vote of Shareholders of the Fund and (ii) the holders of outstanding Preferred Shares, including the Term Preferred Shares, and of Common Shares (Common Shares and Preferred Shares shall hereinafter be referred to together as the Shares) shall vote together as a single class; provided that holders of Preferred Shares, including the Term Preferred Shares, voting separately as a class, shall elect at least two of the Fund's trustees and will elect a majority of the Fund's trustees to the extent the Fund fails to pay dividends on any Preferred Shares, including the Term Preferred Shares, in an amount equal to two full years of dividends on that stock. See Description of Term Preferred Shares Voting Rights.

**Liquidation Preference**

The liquidation preference of Term Preferred Shares will be \$1,000 per share (the Liquidation Preference). In the event of any liquidation, dissolution or winding up of the affairs of the Fund, whether voluntary or involuntary, the holders of Term Preferred Shares will be entitled to receive a liquidation distribution per share equal to the Liquidation Preference plus an amount equal to all unpaid dividends and other distributions accumulated to (but excluding) the date fixed for distribution or payment (whether or not earned or declared by the Fund, but without interest thereon). See Description of Term Preferred Shares Liquidation Rights.

**Swap**

Prior to the closing date of this offering, the Fund expects to enter into an interest rate swap with Morgan Stanley Capital Services LLC that seeks to convert the economic impact of the dividend payable by the Fund on the Term Preferred Shares to a variable rate exposure. Under the swap, the Fund would receive a fixed payment at a rate equal to the applicable dividend rate being paid by the Fund on the Term Preferred Shares and in turn pay a fixed spread to the one-month U.S. dollar London Interbank Offered Rate (LIBOR) index. Morgan Stanley Capital Services LLC has the right, but not the obligation, to terminate the swap agreement on the first business day of each month beginning on 1, . Settlement of the swap is contingent on the closing of the Term Preferred Shares offering. The swap termination date is not contractually tied to the redemption of the Term Preferred Shares. Terms and conditions of the swap may be

modified by the mutual written agreement of the Fund and Morgan Stanley Capital Services LLC.

**Investment Adviser**

Nuveen Fund Advisors, LLC ( Nuveen Fund Advisors or the Adviser ) is the Fund s investment adviser, responsible for overseeing the Fund s overall investment strategy and its implementation.

Nuveen Fund Advisors, a registered investment adviser, offers advisory and investment management services to a broad range of investment company clients. Nuveen Fund Advisors has overall responsibility for management of the Fund, oversees the management of the Fund s portfolio, manages the Fund s business affairs and provides certain clerical, bookkeeping and other administrative services. Nuveen Fund Advisors is located at 333 West Wacker Drive, Chicago, Illinois 60606. Nuveen Fund Advisors is an indirect subsidiary of Nuveen LLC ( Nuveen ), the investment management arm of Teachers Insurance and Annuity Association of America ( TIAA ). TIAA is a life insurance company founded in 1918 by the Carnegie Foundation for the Advancement of Teaching and is the companion organization of College Retirement Equities Fund. As of December 31, 2016, Nuveen managed approximately \$882 billion in assets, of which approximately \$126 billion was managed by Nuveen Fund Advisors.

**Sub-Adviser**

Symphony Asset Management LLC ( Symphony ) serves as the Fund s investment sub-adviser and is an affiliate of Nuveen Fund Advisors. Symphony is a registered investment adviser. Symphony oversees the day-to-day investment operations of the Fund.

**Use of Leverage**

Regulatory leverage consists of senior securities as defined under the 1940 Act, which include (1) borrowings, including loans from financial institutions ( Borrowings ); (2) issuance of debt securities; and (3) issuance of preferred shares ((1),(2), and (3) are hereinafter collectively referred to as regulatory leverage ). The Fund may utilize regulatory leverage to the extent permissible under the 1940 Act. The Fund currently employs regulatory leverage through borrowing under the Credit Agreement with TD Bank and currently has outstanding Series 2023 Term Preferred Shares, Series 2022 Term Preferred Shares and Series 2027 Term Preferred Shares. The Fund intends to use the proceeds from the sale of Term Preferred Shares to increase the Fund s leverage or to repay a portion of the Fund s borrowing under its Credit Agreement. The borrowing capacity under the Credit Agreement is \$195 million. The term of the Credit Agreement ends on December 23, 2017, unless extended. The Fund has the right to augment or replace the Credit Agreement with a new credit agreement at any time, and any such augmented or replacement credit agreement may contain terms that are materially different than the terms contained in the existing

Credit Agreement, including terms that limit payments to holders of Term Preferred Shares. The Fund's obligations under the Credit Agreement are secured by substantially all of the assets of the Fund. As of January 31, 2017, the Fund's outstanding balance on these Borrowings under the Credit Agreement was \$ . For the fiscal year ended July 31, 2016, the average daily balance outstanding and the average annual interest rate on Borrowings under the Old Credit Agreement were \$164,933,880 and 1.28%, respectively.

Leverage involves special risks. See Risk Factors Fund Level Risks Leverage Risk. There is no assurance that the Fund's leveraging strategy will be successful. See Use of Leverage.

The Fund pays a management fee to Nuveen Fund Advisors (which in turn pays a portion of its fee to the Fund's sub-adviser, Symphony) based on a percentage of Managed Assets. Managed Assets for this purpose includes the proceeds realized and managed from the Fund's use of leverage as set forth in the Fund's investment management agreement between Nuveen Fund Advisors and the Fund (the Investment Management Agreement ). Nuveen Fund Advisors will be responsible for using leverage to pursue the Fund's investment objective, and will base its decision regarding whether and how much leverage to use for the Fund based on its assessment of whether such use of leverage will advance the Fund's investment objective. However, a decision to increase the Fund's leverage will have the effect, all other things being equal, of increasing Managed Assets and therefore Nuveen Fund Advisors' and Symphony's fees. Thus, Nuveen Fund Advisors and Symphony may have a conflict of interest in determining whether to increase the Fund's use of leverage. Nuveen Fund Advisors will seek to manage that potential conflict by only increasing the Fund's use of leverage when it determines that such increase is in the best interest of the Fund and is consistent with the Fund's investment objective, and by periodically reviewing the Fund's performance and use of leverage with the Board of Trustees.

In addition to the regulatory leverage described above, the Fund may also enter into derivatives transactions, such as certain credit default swaps, total return swaps and bond futures, that have the economic effect of leverage by creating additional investment exposure. See Use of Leverage and The Fund's Investments Portfolio Composition and Other Information Derivatives in the accompanying prospectus and Hedging Transactions in the SAI. The Fund may use leverage in an amount permissible under the 1940 Act and Securities and Exchange Commission Guidance under the 1940 Act.

#### **Unlisted Shares**

The Term Preferred Shares are not listed or traded on any securities exchange.

**Redemption and Paying Agent**

The Fund has entered into an amendment to its Transfer Agency and Service Agreement with State Street Bank and Trust Company, Canton, Massachusetts (the Redemption and Paying Agent ) for the purpose of causing the Fund's transfer agent and registrar to serve as transfer agent and registrar, dividend disbursing agent, and redemption and paying agent with respect to Term Preferred Shares. State Street has subcontracted the transfer agency servicing and dividend disbursing and redemption and paying agency servicing of the Fund to Computershare Inc.

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## CAPITALIZATION

The following table sets forth the capitalization of the Fund as of July 31, 2016 (audited), and as adjusted (unaudited) to give effect to (i) the issuance of \_\_\_\_\_ Term Preferred Shares offered hereby (representing \$ \_\_\_\_\_ in aggregate liquidation preference) (before estimated offering costs), (ii) the redemption of a total of 750 VRTP Shares with an aggregate liquidation preference of \$75,000,000, (iii) [the anticipated pay down of an aggregate of \$ \_\_\_\_\_ on the Credit Agreement with the proceeds of this offering of Term Preferred Shares], (iv) the issuance of 8,000 Series 2023 Term Preferred Shares on November 23, 2016 (\$8,000,000), (v) the issuance of 10,000 Series 2022 Term Preferred Shares on December 23, 2016 (\$10,000,000), (vi) the issuance of 45,000 Series 2027 Term Preferred Shares on December 22, 2016 (\$45,000,000) and (vii) the draw down of \$24,000,000 under the Old Credit Agreement, to redeem the excess of VRTP Shares previously redeemed with the proceeds of the Series 2023 Term Preferred Shares offering over the amount of Series 2023 Term Preferred Shares previously issued. The as adjusted information is illustrative only and the Fund's capitalization following the completion of these transactions is subject to adjustment based on the actual number of Term Preferred Shares sold in the offering.

	<u>Actual</u> <u>July 31, 2016</u>	<u>As Adjusted</u> <u>July 31, 2016</u>
	(Audited)	(Unaudited)
Series C-4 VRTP Shares, \$100,000 stated value per share, at liquidation value; 2,000 shares authorized; 750 shares outstanding and 0 shares outstanding, as adjusted, respectively*	\$ 75,000,000	\$
Series 2023 Term Preferred Shares, \$1,000 stated value per share, at liquidation value; 8,000 shares authorized; 0 shares outstanding and 8,000 shares outstanding, as adjusted, respectively*	\$	\$ 8,000,000
Series 2027 Term Preferred Shares, \$1,000 stated value per share, at liquidation value; 45,000 shares authorized; 0 shares outstanding and 45,000 shares outstanding, as adjusted, respectively* .	\$	\$ 45,000,000
Series 2022 Term Preferred Shares, \$1,000 stated value per share, at liquidation value; 10,000 shares authorized; 0 shares outstanding and 10,000 shares outstanding, as adjusted, respectively*	\$	\$ 10,000,000
Series [2022-1] Term Preferred Shares, \$1,000 stated value per share, at liquidation value; _____ shares authorized; 0 shares outstanding and _____ shares outstanding, as adjusted, respectively*	\$	\$
<b>COMMON SHAREHOLDERS EQUITY:</b>		
Common shares, \$.01 par value per share; unlimited shares authorized, 38,478,782 shares outstanding*	\$ 384,788	\$ 384,788
Paid-in surplus	\$ 526,376,739	\$ 526,376,739**
Undistributed net investment income	\$ 406,098	\$ [270,368]***
Accumulated net realized gain (loss)	\$ (49,457,765)	\$ (49,457,765)
Net unrealized appreciation (depreciation)	\$ (42,521,031)	\$ (42,521,031)
<b>Net assets applicable to common shares</b>	<b>\$ 435,188,829</b>	<b>\$ [435,053,099]****</b>

\* None of these outstanding shares are held by or for the account of the Fund.

\*\* Assumes (a) a total of \$175,000, the estimated offering costs related to the issuance of 8,000 Series 2023 Term Preferred Shares, will be amortized over the life of the Series 2023 Term Preferred Shares, (b) a total of \$570,000, the estimated offering costs related to the issuance of 45,000 Series 2027 Term Preferred Shares, will be amortized over the life of the Series 2027 Term Preferred Shares, (c) a total of \$190,000, the estimated offering costs related to the issuance of 10,000 Series 2022 Term Preferred Shares, will be amortized over the life of the Series 2022 Term Preferred Shares and (d) a total of \$[ \_\_\_\_\_ ], the estimated offering costs related to the issuance of [ \_\_\_\_\_ ] Series [2022-1] Term Preferred Shares, will be amortized over the life of the Series [2022-1]

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Term Preferred Shares.

\*\*\* Reflects the expensing of the deferred asset amount related to the redemption of a total of 750 Series C-4 VRTP Shares in the amount of \$135,730.

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\*\*\*\* Reflects that (a) \$24,000,000 was drawn on the Fund's credit facility under the Old Credit Agreement to redeem the excess of VRTP shares being redeemed with the offering of Series 2023 Term Preferred Shares (\$32,000,000 in aggregate liquidation preference) over the amount of Series 2023 Term Preferred Shares sold (\$8,000,000 in aggregate liquidation preference), (b) that an aggregate of \$12,000,000 was paid down on the Fund's credit facility under the Old Credit Agreement with the proceeds of the offerings of Series 2027 Term Preferred Shares and a portion of the proceeds of Series 2022 Term Preferred Shares and (c) [ ] will be paid down on the Fund's Credit Agreement with the proceeds of the Series [2022-1] Term Preferred Shares].

## USE OF PROCEEDS

The net proceeds of the offering will be approximately \$ , after payment of underwriting discounts and commissions and estimated offering costs. The Fund intends to use the net proceeds from the sale of Term Preferred Shares to increase the Fund's leverage or to repay a portion of the Fund's borrowing under its Credit Agreement. The term of the Credit Agreement ends on December 23, 2017, unless extended, and the Fund pays an interest rate of 1-month LIBOR plus 0.80%, which during the most recent month was approximately 1.59%, on Borrowings under the Credit Agreement. To the extent the Fund uses any net proceeds from the sale of Term Preferred Shares to invest in securities, it is presently anticipated that any such net proceeds will be invested in accordance with the Fund's investment objective and policies as soon as practicable after completion of the offering. The Fund currently anticipates that it will be able to invest substantially all of such net proceeds in securities that meet the Fund's investment objectives and policies within approximately two weeks after completion of the offering.

## DESCRIPTION OF TERM PREFERRED SHARES

*The following is a brief description of the terms of Term Preferred Shares. A complete description of the terms of Term Preferred Shares can be found in the Fund's Declaration of Trust and the Statement. These documents are filed with the Securities and Exchange Commission as exhibits to the Fund's registration statement of which this Prospectus Supplement is a part and the Statement also is attached as Appendix A to the SAL. Copies may be obtained as described under Available Information.*

### General

At the time of issuance the Term Preferred Shares will be fully paid and non-assessable and have no preemptive, conversion, or exchange rights or rights to cumulative voting. The Fund has entered into the Credit Agreement with TD Bank and has an outstanding balance. The rights of lenders, such as TD Bank, and any other creditors to receive payments of interest on and repayments of principal of any Borrowings are senior to the rights of holders of Preferred Shares, including Term Preferred Shares, and Common Shares, with respect to the payment of dividends and other distributions, and upon liquidation. The Fund may not be permitted to declare dividends and other distributions with respect to Preferred Shares, including the Term Preferred Shares, and Common Shares or redeem such Preferred Shares unless at such time, the Fund meets certain asset coverage requirements and no event of default or other circumstance exists under the Credit Agreement that would limit or otherwise block payments in redemption.

Term Preferred Shares will rank equally with any other series of Preferred Shares of the Fund, including Series 2023 Term Preferred Shares, Series 2022 Term Preferred Shares, Series 2027 Term Preferred Shares and any Preferred Shares that might be issued in the future, as to payment of dividends and the distribution of the Fund's assets upon dissolution, liquidation or winding up of the affairs of the Fund. Term Preferred Shares and all other Preferred Shares, if any, are senior as to dividends and other distributions to the Fund's Common Shares. The Fund may issue additional series of Preferred Shares in the future, and any such series, together with the Term Preferred Shares, are herein collectively referred to as Preferred Shares.

Except in certain limited circumstances, holders of Term Preferred Shares will not receive certificates representing their ownership interest in such shares, and the Term Preferred Shares will be represented by one or more global certificates to be held by and on behalf of the Securities

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Depository for the Term Preferred Shares. The Depository Trust Company will act as Securities Depository with respect to the Term Preferred Shares.

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**Dividends and Dividend Periods**

*General.* The following is a general description of dividends and dividend periods. The holders of Term Preferred Shares will be entitled to receive cumulative cash dividends and other distributions on such shares, when, as and if declared by, or under authority granted by, the Board of Trustees, out of funds legally available for payment and in preference to dividends and other distributions on Common Shares of the Fund, calculated separately for each Dividend Period for such Term Preferred Shares at the Dividend Rate for such Term Preferred Shares in effect during such Dividend Period, on an amount equal to the Liquidation Preference for such Term Preferred Shares. The Dividend Rate is computed on the basis of a 360-day year consisting of twelve 30-day months. Dividends so declared and payable will be paid to the extent permitted under state law and the Declaration of Trust, and to the extent available, in preference to and priority over any dividend declared and payable on the Common Shares.

*Dividend Rate.* The Dividend Rate for Term Preferred Shares is an initial rate of [2.500]%. The Dividend Rate for Term Preferred Shares will be adjusted periodically as set forth below and in accordance with the Statement and/or upon the occurrence of certain events resulting in a Default (as defined below). The Dividend Rate will not in any event be lower than the initial [2.500]% Dividend Rate.

The Dividend Rate payable on the Term Preferred Shares on any date will be determined with reference to the following table:

<u>Date</u>	<u>Dividend Rate</u>
From and including the Date of Original Issue to but excluding [April 1, 2020]	[2.500]%
From and including [April 1, 2020] to but excluding [April 1, 2021]	[4.000]%
From and including [April 1, 2021] to but excluding [April 1, 2022]	[6.000]%

*Payment of Dividends and Dividend Periods.* Dividends on the Term Preferred Shares will be payable monthly. The first Dividend Period for the Term Preferred Shares will commence on the Date of Original Issue of Term Preferred Shares and end on [April 30, 2017] and each subsequent Dividend Period will be a calendar month (or the portion thereof occurring prior to the redemption of such Term Preferred Shares). Dividends will be paid on the Dividend Payment Date the first Business Day of the month next following a Dividend Period and upon redemption of the Term Preferred Shares. Dividends with respect to any monthly Dividend Period will be declared and paid to holders of record of Term Preferred Shares as their names shall appear on the registration books of the Fund at the close of business on the day immediately preceding such Dividend Payment Date (or, if such day is not a Business Day, the next preceding Business Day). Dividends payable on Term Preferred Shares for any period of less than a full monthly Dividend Period, including in connection with the first Dividend Period for such shares or upon any redemption of such shares on any redemption date other than on a Dividend Payment Date, will be computed on the basis of a 360-day year consisting of twelve 30-day months and the actual number of days elapsed for any period of less than one month.

On account of the foregoing provisions, only the holders of Term Preferred Shares on the record date for a Dividend Period will be entitled to receive dividends and other distributions payable with respect to such Dividend Period, and holders of Term Preferred Shares who sell shares before such a record date and purchasers of Term Preferred Shares who purchase shares after such a record date should take the effect of the foregoing provisions into account in evaluating the price to be received or paid for such Term Preferred Shares.

*Increased Rate Default.* The Dividend Rate will be adjusted to the Increased Rate (as defined below) for any date the Fund fails to deposit with the Redemption and Paying Agent by 12:00 noon, New York City time, on the (i) applicable Dividend Payment Date, Deposit Securities sufficient to pay the full amount of any dividend on Term Preferred Shares payable on such Dividend Payment Date (a Dividend Default ) or (ii) applicable Redemption Date (as defined below), Deposit Securities sufficient to pay the full amount of the redemption price payable on such Redemption Date (a Redemption Default and, together with a Dividend Default, referred to as a Default ). A Dividend Default or a Redemption

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Default shall end on the Business Day on which, by 12:00 noon, New York City time, an amount equal to all unpaid dividends and any unpaid redemption price, as

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applicable, shall have been deposited irrevocably in trust in same-day funds with the Redemption and Paying Agent. In the case of a Default, the applicable dividend rate will be equal to the Increased Rate for each calendar day on which such Default is in effect. The Increased Rate for any such calendar day shall be equal to the applicable Dividend Rate in effect on such day plus five percent (5%) per annum.

*Reporting of Increased Rate.* In the event that an Increased Rate is in effect for any outstanding series of Term Preferred Shares, the Fund will, as soon as practicable (but in no event later than five Business Days following the first day that such Increased Rate is in effect), make public disclosure via press release of the effectiveness of the Increased Rate and the date on which such Increased Rate was effective. In addition, following the end of a Default triggering such Increased Rate, the Fund will, as soon as practicable (but in no event later than five Business Days following the last day that such Increased Rate is in effect) make public disclosure via press release announcing the date on which such Increased Rate ceased to be effective. For the avoidance of doubt, if the initial public disclosure via press release also includes the date on which such Increased Rate ceased to be effective, a separate press release disclosing that fact will not be required to be issued. The Fund will have no other obligation with respect to notification of any person concerning the effectiveness of the Increased Rate on such date.

*Mechanics of Payment of Dividends.* Not later than 12:00 noon, New York City time, on a Dividend Payment Date, the Fund is required to deposit with the Redemption and Paying Agent sufficient funds for the payment of dividends in the form of Deposit Securities. Deposit Securities will generally consist of (i) cash or cash equivalents; (ii) direct obligations of the United States or its agencies or instrumentalities that are entitled to the full faith and credit of the United States ( U.S. Government Obligations ); (iii) investments in money market funds registered under the 1940 Act that qualify under Rule 2a-7 under the 1940 Act and certain similar investment vehicles that invest principally in U.S. Government Obligations; or (iv) any letter of credit from a bank or other financial institution that has a credit rating from at least one NRSRO that is the highest applicable rating generally ascribed by such NRSRO to bank deposits or short-term debt of banks or such other financial institutions, in each case either that is a demand obligation payable to the holder on any Business Day or that has a maturity date, mandatory redemption date or mandatory payment date, preceding the relevant Redemption Date, Dividend Payment Date or other payment date.

All Deposit Securities paid to the Redemption and Payment Agent for the payment of dividends will be held in trust for the payment of such dividends to the holders of Term Preferred Shares. Dividends will be paid by the Redemption and Payment Agent to the holders of Term Preferred Shares as their names appear on the registration books of the Fund. Dividends that are in arrears for any past Dividend Period may be declared and paid at any time, without reference to any regular Dividend Payment Date. Such payments are made to holders of Term Preferred Shares as their names appear on the registration books of the Fund on such date, not exceeding 15 calendar days preceding the payment date thereof, as may be fixed by the Board of Trustees. Any payment of dividends in arrears will first be credited against the earliest accumulated but unpaid dividends. No interest or sum of money in lieu of interest will be payable in respect of any dividend payment or payments on any Term Preferred Shares which may be in arrears. See Restrictions on Dividend, Redemption and Other Payments.

Upon failure to pay dividends for at least two years, the holders of Term Preferred Shares will acquire certain additional voting rights. See Voting Rights below. Such rights shall be the exclusive remedy of the holders of Term Preferred Shares upon any failure to pay dividends on Term Preferred Shares.

#### **Restrictions on Dividend, Redemption and Other Payments**

No full dividends and other distributions will be declared or paid on Term Preferred Shares for any Dividend Period, or a part of a Dividend Period, unless the full cumulative dividends and other distributions due through the most recent dividend payment dates for all outstanding Preferred Shares (including Series 2023 Term Preferred Shares, Series 2022 Term Preferred Shares, Series 2027 Term Preferred Shares and Term Preferred Shares) have been, or contemporaneously are, declared and paid through the most recent dividend payment dates for each Preferred Share. If full cumulative dividends and other distributions due have not been paid on all outstanding Preferred Shares of any series, any dividends and other distributions being declared and paid on



Term Preferred Shares will be declared and paid as nearly pro rata as possible in proportion to the respective amounts of dividends and other distributions accumulated but unpaid on the shares of each such series of Preferred Shares on the relevant dividend payment date. No holders of Term Preferred Shares will be entitled to any dividends and other distributions in excess of full cumulative dividends and other distributions as provided in the Statement.

For so long as any Term Preferred Shares are outstanding, the Fund will not: (x) declare or pay any dividend or other distribution (other than a dividend or distribution paid in Common Shares) in respect of the Common Shares, (y) call for redemption, redeem, purchase or otherwise acquire for consideration any Common Shares, or (z) pay any proceeds of the liquidation of the Fund in respect of the Common Shares, unless, in each case, (A) immediately thereafter, the Fund shall be in compliance with the 200% asset coverage limitations set forth under the 1940 Act after deducting the amount of such dividend or other distribution or redemption or purchase price or liquidation proceeds, (B) all cumulative dividends and other distributions of shares of all series of Preferred Shares of the Fund ranking on a parity with the Term Preferred Shares due on or prior to the date of the applicable dividend, distribution, redemption, purchase or acquisition shall have been declared and paid (or shall have been declared and sufficient funds or Deposit Securities as permitted by the terms of such Preferred Shares for the payment thereof shall have been deposited irrevocably with the applicable paying agent) and (C) the Fund shall have deposited Deposit Securities with the Redemption and Paying Agent in accordance with the requirements described in the Statement with respect to outstanding Preferred Shares of any series to be redeemed pursuant to a Term Redemption or Corrective Action resulting from the failure to comply with the Asset Coverage requirements described below for which a Notice of Redemption shall have been given or shall have been required to be given in accordance with the terms described in the Statement on or prior to the date of the applicable dividend, distribution, redemption, purchase or acquisition.

Except as required by law, the Fund will not redeem any Term Preferred Shares unless all accumulated and unpaid dividends and other distributions on all outstanding Term Preferred Shares and other series of Preferred Shares ranking on a parity with the Term Preferred Shares with respect to dividends and other distributions for all applicable past dividend periods (whether or not earned or declared by the Fund) (x) shall have been or are contemporaneously paid or (y) shall have been or are contemporaneously declared and Deposit Securities or sufficient funds (in accordance with the terms of such Preferred Shares) for the payment of such dividends and other distributions shall have been or are contemporaneously deposited with the Redemption and Paying Agent or other applicable paying agent, provided, however, that the foregoing shall not prevent the purchase or acquisition of outstanding Term Preferred Shares pursuant to an otherwise lawful purchase or exchange offer made on the same terms to holders of all outstanding Term Preferred Shares and any other series of Preferred Shares for which all accumulated and unpaid dividends and other distributions have not been paid.

Notwithstanding the 1940 Act's requirements, as described below, Term Preferred Shares have an Asset Coverage (as defined for purposes of the Term Preferred Shares) of at least 225% instead of 200%. Under the 1940 Act, the Fund may not (i) declare any dividend with respect to any Preferred Shares if, at the time of such declaration (and after giving effect thereto), asset coverage with respect to any borrowings of the Fund that are senior securities representing indebtedness (as defined in the 1940 Act), would be less than 200% (or such other percentage as may in the future be specified in or under the 1940 Act as the minimum asset coverage for senior securities representing indebtedness of a closed-end investment company as a condition of declaring dividends on its Preferred Shares) or (ii) declare any other distribution on the Preferred Shares or purchase or redeem Preferred Shares if at the time of the declaration or redemption (and after giving effect thereto), asset coverage with respect to such borrowings that are senior securities representing indebtedness would be less than 300% (or such higher percentage as may in the future be specified in or under the 1940 Act as the minimum asset coverage for senior securities representing indebtedness of a closed-end investment company as a condition of declaring distributions, purchases or redemptions of its shares). Senior securities representing indebtedness generally means any bond, debenture, note or similar obligation or instrument constituting a security (other than shares of capital stock) and evidencing indebtedness and could include the Fund's obligations under any borrowings. For purposes of determining asset coverage for senior securities representing indebtedness in connection with the payment of dividends or other distributions on or purchases or redemptions of stock, the term senior security does not include any promissory note or other evidence of indebtedness issued in consideration of any loan,

extension or renewal thereof, made by a bank or other person and privately arranged, and not intended to be publicly distributed. The term senior security also does not include any such promissory note or other evidence of indebtedness in any case where such a loan is for temporary purposes only and in an amount not exceeding 5% of the value of the total assets of the Fund at the time when the loan is made; a loan is presumed under the 1940 Act to be for temporary purposes if it is repaid within 60 calendar days and is not extended or renewed; otherwise it is presumed not to be for temporary purposes. For purposes of determining whether the 200% and 300% statutory asset coverage requirements described above apply in connection with dividends or distributions on or purchases or redemptions of Preferred Shares, such asset coverages may be calculated on the basis of values calculated as of a time within 48 hours (only including Business Days) next preceding the time of the applicable determination.

### **Asset Coverage**

If the Fund fails to maintain Asset Coverage of at least 225% as of the close of business on each Business Day, and such failure is not cured as of the Asset Coverage Cure Date, the Fund will, to the extent permitted by the 1940 Act, and Massachusetts law and pursuant to the terms and conditions of any credit agreement, loan agreement, credit facility or other agreement representing borrowings of the Fund that is in effect at such time, be required to take Corrective Action as provided below. Asset Coverage means asset coverage of a class of senior security which is a stock, as defined for purposes of Section 18(h) of the 1940 Act as in effect on the date of the Statement, determined on the basis of values calculated as of a time within 48 hours (only including Business Days) next preceding the time of such determination. For purposes of this determination, no Term Preferred Shares or other Preferred Shares shall be deemed to be outstanding for purposes of the computation of Asset Coverage if, prior to or concurrently with such determination, sufficient Deposit Securities or other sufficient funds (in accordance with the terms of such Preferred Shares) to pay the full redemption price for such Preferred Shares (or the portion thereof to be redeemed) shall have been irrevocably deposited in trust with the paying agent for such Preferred Shares and the requisite notice of redemption for such Preferred Shares (or the portion thereof to be redeemed) shall have been given. In such event, the Deposit Securities or other sufficient funds so deposited shall not be included as assets of the Fund for purposes of the computation of Asset Coverage.

### **Redemption**

*Term Redemption.* The Fund is required to redeem (the Term Redemption ) all of the Term Preferred Shares on [April 1, 2022] (the Term Redemption Date ), at a redemption price equal to the Liquidation Preference per share plus an amount equal to accumulated but unpaid dividends thereon (whether or not earned or declared but excluding interest thereon) to (but excluding) the Term Redemption Date (the Term Redemption Price ) out of funds legally available therefore and to the extent permitted by any credit agreement in effect on such date.

*Asset Coverage and Corrective Action.* If the Fund fails to have Asset Coverage of at least 225% as provided in the Statement and such failure is not cured as of the close of business on the Asset Coverage Cure Date, the Fund will, to the extent permitted by the 1940 Act, and Massachusetts law and pursuant to the terms and conditions of any credit agreement, loan agreement, credit facility or other agreement representing borrowings of the Fund that is in effect at such time, by the close of business on the Business Day next following such Asset Coverage Cure Date, determine (i) the Corrective Action (as defined below) to be taken to cause the Fund to regain Asset Coverage; (ii) if applicable, the identity and market value of assets of the Fund to be sold in connection with a Corrective Action; and (iii) the date, which date will not be later than 20 Business Days following such Asset Coverage Cure Date, on which the Fund will regain Asset Coverage. As used herein, Corrective Action means, for the purpose of allowing the Fund to comply with the Asset Coverage requirements, (a) the irrevocable deposit of Deposit Securities with the Redemption and Paying Agent to fund the redemption of Term Preferred Shares; (b) the repayment of indebtedness of the Fund; (c) corrective trades involving Fund assets; or (d) any combination of the actions described in clauses (a) through (c) above. In the event that any Term Preferred Shares are to be redeemed, the Fund will redeem such Term Preferred Shares out of funds legally available therefore and to the extent permitted by any credit agreement in effect on such date at a price per share equal to the liquidation price of the applicable Term Preferred Shares, which is equal to the Liquidation Preference of such Term Preferred Share plus accumulated but unpaid dividends and other

distributions thereon (whether or not earned or declared but excluding interest thereon) to (but excluding) the date fixed for redemption by the Board of Trustees (the Asset Coverage Redemption Price). Corrective trades described above may be made at a time when it would be disadvantageous for the Fund to do so. In the event that any Term Preferred Shares are redeemed to regain compliance with the Asset Coverage requirements, the Fund will effect a redemption on the date fixed by the Fund, which date will not be later than 20 calendar days after the Asset Coverage Cure Date, except that if the Fund does not have funds legally available for the redemption of all of the required number of Term Preferred Shares and other Preferred Shares which have been designated to be redeemed or the Fund otherwise is unable to effect such redemption on or prior to 20 calendar days after the Asset Coverage Cure Date, the Fund will redeem those Term Preferred Shares and other Preferred Shares, if any, which it was unable to redeem on the earliest practicable date on which it is able to effect such redemption.

If fewer than all of the outstanding Term Preferred Shares are to be redeemed pursuant to the Asset Coverage mandatory redemption provisions above, the Term Preferred Shares to be redeemed will be selected either (i) pro rata among Term Preferred Shares, (ii) by lot or (iii) in such other manner as the Board of Trustees may determine to be fair and equitable, in each case, in accordance with the 1940 Act; provided, in each such case, that such method of redemption shall be subject to any applicable procedures of the Security Depository.

*Optional Redemption.* On any Business Day (such Business Day, an Optional Redemption Date), the Fund may redeem out of funds legally available therefore and to the extent permitted by any credit agreement in effect on such date in whole, or from time to time, in part outstanding Term Preferred Shares, at a redemption price equal to the Liquidation Preference, plus an amount equal to all unpaid dividends and other distributions accumulated to (but excluding) the Optional Redemption Date (whether or not earned or declared by the Fund, but excluding interest thereon), plus the applicable Optional Redemption Premium per share (as calculated below) (the Optional Redemption Price). The Optional Redemption Premium with respect to each Term Preferred Share will be an amount equal to:

if the Optional Redemption Date occurs on or after [ ], 2017 and prior to [April 1, 2018], [0.50%] of the Liquidation Preference; or

if the Optional Redemption Date occurs on or after [April 1, 2018], 0.00% of the Liquidation Preference.

If fewer than all of the outstanding Term Preferred Shares are to be redeemed pursuant to the optional redemption provisions above, the Term Preferred Shares to be redeemed will be selected either (i) pro rata among Term Preferred Shares, (ii) by lot or (iii) in such other manner as the Board of Trustees may determine to be fair and equitable, in each case, in accordance with the 1940 Act; provided, in each such case, that such method of redemption shall be subject to any applicable procedures of the Security Depository. Subject to the provisions of the Statement and applicable law, the Board of Trustees will have the full power and authority to prescribe the terms and conditions upon which Term Preferred Shares will be redeemed from time to time.

*Redemption Procedures.* The Fund will file a notice of its intention to redeem with the Securities and Exchange Commission so as to provide the 30 calendar day notice period contemplated by Rule 23c-2 under the 1940 Act, or such shorter notice period as may be permitted by the Securities and Exchange Commission or its staff.

If the Fund shall determine or be required to redeem, in whole or in part, Term Preferred Shares, it will deliver a notice of redemption (a Notice of Redemption) by overnight delivery, by first class mail, postage prepaid or by electronic means to the holders of such Term Preferred Shares to be redeemed, or request the Redemption and Paying Agent, on behalf of the Fund, to promptly do so by overnight delivery, by first class mail or by electronic means. A Notice of Redemption will be provided not more than 45 calendar days prior to the date fixed for redemption and not less than five calendar days prior to such date set forth in such Notice of Redemption (the Redemption Date). Each Notice of Redemption will state: (i) the Redemption Date; (ii) the series of and number of Term Preferred Shares to be redeemed; (iii) the CUSIP number(s) of such Term Preferred Shares; (iv) the applicable Redemption Price of Term Preferred Shares to be redeemed on a per share basis; (v) if applicable, the place or places where the certificate(s) for such Term Preferred Shares (properly endorsed or assigned for transfer, if the Board of Trustees will so require and the Notice of Redemption states)

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are to be surrendered for payment of the redemption price; (vi) that dividends on Term Preferred Shares to be redeemed will cease to accumulate from and after the redemption date; and (vii) the provisions of the Statement under which such redemption is made. If fewer than all Term Preferred Shares held by any holder are to be redeemed, the Notice of Redemption mailed to such holder shall also specify the number of Term Preferred Shares to be redeemed from such holder or the method of determining such number. The Fund may provide in any Notice of Redemption relating to an optional redemption contemplated to be effected pursuant to the Statement that such redemption is subject to one or more conditions precedent and that the Fund will not be required to effect such redemption unless each such condition has been satisfied. No defect in any Notice of Redemption or delivery thereof will affect the validity of redemption proceedings except as required by applicable law.

If the Fund gives a Notice of Redemption, then at any time from and after the giving of such Notice of Redemption and prior to 12:00 noon, New York City time, on the Redemption Date (so long as any conditions precedent to such redemption have been met or waived by the Fund), the Fund will (i) irrevocably deposit with the Redemption and Paying Agent Deposit Securities having an aggregate market value at the time of deposit no less than the redemption price of the Term Preferred Shares to be redeemed on the Redemption Date and (ii) give the Redemption and Paying Agent irrevocable instructions and authority to pay the applicable redemption price to the holders of Term Preferred Shares called for redemption on the Redemption Date. The Fund may direct the Redemption and Paying Agent with respect to the investment of any Deposit Securities consisting of cash so deposited prior to the Redemption Date, provided that the proceeds of any such investment will be available at the opening of business on the Redemption Date as same day funds. Notwithstanding the foregoing, if the Redemption Date is the Term Redemption Date, then such irrevocable deposit of Deposit Securities (which may come in whole or in part from the Term Redemption Liquidity Account described below) will be made no later than 15 calendar days prior to the Term Redemption Date.

Following the giving of a Notice of Redemption, upon the date of the irrevocable deposit of Deposit Securities by the Fund for purposes of redemption of Term Preferred Shares, all rights of the holders of Term Preferred Shares so called for redemption shall cease and terminate except the right of the holders thereof to receive the Term Redemption Price, Asset Coverage Redemption Price or Optional Redemption Price thereof, as applicable (any of the foregoing referred to herein as the Redemption Price), and such Term Preferred Shares shall no longer be deemed outstanding for any purpose whatsoever (other than the transfer thereof prior to the applicable Redemption Date and other than the accumulation of dividends and other distributions thereon in accordance with the terms of the Term Preferred Shares up to (but excluding) the applicable Redemption Date). The Fund will be entitled to receive, promptly after the Redemption Date, any Deposit Securities in excess of the aggregate Redemption Price of Term Preferred Shares called for redemption on the Redemption Date. Any Deposit Securities so deposited that are unclaimed at the end of 90 calendar days from the Redemption Date will, to the extent permitted by law, be repaid to the Fund, after which the holders of Term Preferred Shares so called for redemption shall look only to the Fund for payment of the Redemption Price. The Fund will be entitled to receive, from time to time after the Redemption Date, any interest on the Deposit Securities so deposited.

On or after a Redemption Date, each holder of Term Preferred Shares in certificated form (if any) that are subject to redemption will surrender the certificate(s) evidencing such Term Preferred Shares to the Fund at the place designated in the Notice of Redemption and will then be entitled to receive the Redemption Price, without interest, and in the case of a redemption of fewer than all Term Preferred Shares represented by such certificate(s), a new certificate representing Term Preferred Shares that were not redeemed.

Notwithstanding the other redemption provisions described herein, except as otherwise required by law, (i) the Fund will not redeem any Term Preferred Shares unless all accumulated and unpaid dividends and other distributions on all outstanding Term Preferred Shares and shares of other series of Preferred Shares ranking on a parity with the Term Preferred Shares with respect to dividends and other distributions for all applicable past dividend periods (whether or not earned or declared by the Fund) (x) shall have been or are contemporaneously paid or (y) shall have been or are contemporaneously declared and Deposit Securities or sufficient funds or

securities (in accordance with the terms of such Preferred Shares) for the payment of such dividends and other distributions shall have been or are contemporaneously deposited with the Redemption and Paying Agent as set forth in the Statement, and (ii) if, as of the Redemption Date for Term Preferred Shares, any redemption required with respect to any outstanding Preferred Shares (including shares of other series of Term Preferred Shares) ranking on a parity with such Term Preferred Shares (x) shall not have been made on the redemption date therefor or is not contemporaneously made on the Redemption Date or (y) shall not have been or is not contemporaneously noticed and Deposit Securities or sufficient funds or securities (in accordance with the terms of such Term Preferred Shares or other Preferred Shares) for the payment of such redemption shall not have been or are not contemporaneously deposited with the Redemption and Paying Agent for such other Term Preferred Shares or other Preferred Shares in accordance with the terms of such other Term Preferred Shares or other Preferred Shares, then any redemption required hereunder shall be made as nearly as possible on a pro rata basis with all other Preferred Shares then required to be redeemed (or in respect of which securities or funds for redemption are required to be deposited) in accordance with the terms of such Preferred Shares, and the number of shares of such Term Preferred Shares to be redeemed from the respective holders shall be determined pro rata among the outstanding shares of such Term Preferred Shares or in such other manner as the Board of Trustees may determine to be fair and equitable and that is in accordance with the 1940 Act; provided, in each such case, that such method of redemption shall be subject to any applicable procedures established by the Securities Depository, and provided, further, however, that the Fund will not be prevented from the purchase or acquisition of outstanding Term Preferred Shares pursuant to an otherwise lawful purchase or exchange offer made on the same terms to holders of all outstanding Term Preferred Shares and any other series of Preferred Shares for which all accumulated and unpaid dividends and other distributions have not been paid.

If any redemption for which a Notice of Redemption has been provided is not made (i) by reason of the absence of legally available funds of the Fund in accordance with the Declaration of Trust of the Fund, the Statement and applicable law or (ii) pursuant to the terms and conditions of any credit agreement in effect on the date on which such redemption is scheduled, such redemption shall be made as soon as practicable to the extent such funds become available or as permitted by such credit agreement. No Redemption Default will be deemed to have occurred if the Fund has failed to deposit in trust with the Redemption and Paying Agent the applicable Redemption Price with respect to any shares where (1) the Notice of Redemption relating to such redemption provided that such redemption was subject to one or more conditions precedent and (2) any such condition precedent has not been satisfied at the time or times and in the manner specified in such Notice of Redemption. Notwithstanding the fact that a Notice of Redemption has been provided with respect to any Term Preferred Shares, dividends will be declared and paid on such Term Preferred Shares in accordance with their terms regardless of whether Deposit Securities for the payment of the Redemption Price of such Term Preferred Shares shall have been deposited in trust with the Redemption and Paying Agent for that purpose.

Notwithstanding anything to the contrary in the Statement or in any Notice of Redemption, if the Fund has not redeemed Term Preferred Shares on the applicable Redemption Date, the holders of the Term Preferred Shares subject to redemption shall continue to be entitled to (a) receive dividends on such Term Preferred Shares accumulated at the Dividend Rate for the period from, and including, such Redemption Date through, but excluding, the date on which such Term Preferred Shares are actually redeemed and such dividends, to the extent accumulated, but unpaid, during such period (whether or not earned or declared but without interest thereon) will be included in the Redemption Price for such Term Preferred Shares and (b) transfer the Term Preferred Shares prior to the date on which such Term Preferred Shares are actually redeemed, provided that all other rights of holders of such Term Preferred Shares will have terminated upon the date of deposit of Deposit Securities in accordance with the Statement.

The Fund may, in its sole discretion and without a shareholder vote, modify the redemption procedures with respect to notification of redemption for the Term Preferred Shares, provided that such modification does not materially and adversely affect the holders of Term Preferred Shares or cause the Fund to violate any applicable law, rule or regulation.

**Term Redemption Liquidity Account and Liquidity Requirement**

On or prior to [October 1, 2021] (the **Liquidity Account Initial Date**), the Fund will identify and designate on its books and records or otherwise in accordance with the Fund's normal procedures (the **Term Redemption Liquidity Account**) Deposit Securities or any other security or investment owned by the Fund that is assigned a rating by any of Moody's, Fitch or Standard & Poor's Rating Services, a Standard & Poor's Financial Services LLC business (Standard & Poor's or S&P), of not less than B3 by Moody's, B- by Standard & Poor's, B- by Fitch, or an equivalent rating by any other NRSRO (or any such rating's future equivalent) (each a **Liquidity Account Investment** and collectively the **Liquidity Account Investments**) with a market value equal to at least 110% of the **Term Redemption Amount** (as defined below) with respect to such **Term Preferred Shares**. The **Term Redemption Amount** for **Term Preferred Shares** is equal to the **Term Redemption Price** to be paid on the **Term Redemption Date**, based on the number of **Term Preferred Shares** then outstanding and the **Dividend Rate** that will be in effect for the period of time beginning on the date of the creation of the **Term Redemption Liquidity Account** for such **Term Preferred Shares** and ending on the **Term Redemption Date** for such **Term Preferred Shares**. If, on any date after the **Liquidity Account Initial Date**, the aggregate market value of the **Liquidity Account Investments** included in the **Term Redemption Liquidity Account** for **Term Preferred Shares** as of the close of business on any **Business Day** is less than 110% of the **Term Redemption Amount**, then the Fund will cause Nuveen Fund Advisors to take all such necessary actions, including identifying and designating additional assets of the Fund as **Liquidity Account Investments**, so that the aggregate market value of the **Liquidity Account Investments** included in the **Term Redemption Liquidity Account** is at least equal to 110% of the **Term Redemption Amount** not later than the close of business on the next succeeding **Business Day**. With respect to assets of the Fund identified and designated as **Liquidity Account Investments** with respect to the **Term Preferred Shares**, Nuveen Fund Advisors, on behalf of the Fund, will be entitled to release any **Liquidity Account Investments** from such identification and designation and to substitute therefor other **Liquidity Account Investments**, so long as (i) the assets of the Fund identified and designated as **Liquidity Account Investments** at the close of business on such date have a market value equal to at least 110% of the **Term Redemption Amount** and (ii) the assets of the Fund designated and segregated in accordance with the Custodian's normal procedures, from other assets of the Fund, and identified as **Deposit Securities** at the close of business on such date have a market value at least equal to the **Liquidity Requirement** (if any) (as set forth below) that is applicable to such date. The Fund will not permit any lien, security interest or encumbrance to be created or permitted to exist on or in respect of any **Liquidity Account Investments** included in the **Term Redemption Liquidity Account**, other than liens, security interests or encumbrances arising by operation of law.

The market value of the **Deposit Securities** held in the **Term Redemption Liquidity Account** for the **Term Preferred Shares**, from and after the 15th day of the calendar month (or, if such day is not a **Business Day**, the next succeeding **Business Day**) that is the number of months preceding the calendar month in which the **Term Redemption Date** occurs in each case specified in the table set forth below, will not be less than the percentage of the **Term Redemption Amount** for the **Term Preferred Shares** set forth below opposite such number of months (the **Liquidity Requirement**):

Number of Months Preceding Month of Term Redemption Date	Value of Deposit Securities as Percentage of Term Redemption Amount
5	20%
4	40%
3	60%
2	80%
1	100%

If the aggregate market value of the **Deposit Securities** included in the **Term Redemption Liquidity Account** for the **Term Preferred Shares** as of the close of business on any **Business Day** is less than the **Liquidity Requirement** for such **Business Day**, the Fund will cause the segregation of additional or substitute **Deposit Securities** in respect of the **Term Redemption Liquidity Account**, so that the aggregate market value of the

Deposit Securities included in the Term Redemption Liquidity Account is at least equal to the Liquidity Requirement not later than the close of business on the next succeeding Business Day.

The Deposit Securities included in the Term Redemption Liquidity Account may be applied by the Fund, in its discretion, towards payment of the Term Redemption Price. Upon the deposit by the Fund with the Redemption and Paying Agent of Deposit Securities having an initial combined market value sufficient to effect the redemption of the Term Preferred Shares on the Term Redemption Date, the requirement of the Fund to maintain the Term Redemption Liquidity Account as described above will lapse and be of no further force and effect.

### **Liquidation Rights**

In the event of any liquidation, dissolution or winding up of the affairs of the Fund, whether voluntary or involuntary, the holders of Term Preferred Shares will be entitled to receive out of the assets of the Fund available for distribution to shareholders, after satisfying claims of creditors but before any distribution or payment shall be made in respect of the Common Shares, a liquidation distribution equal to the Liquidation Preference of \$1,000 per share, plus an amount equal to all unpaid dividends and other distributions accumulated to (but excluding) the date fixed for such distribution or payment (whether or not earned or declared by the Fund, but without interest thereon), and such holders shall be entitled to no further participation in any distribution or payment in connection with any such liquidation, dissolution or winding up.

If, upon any liquidation, dissolution or winding up of the affairs of the Fund, whether voluntary or involuntary, the assets of the Fund available for distribution among the holders of all Term Preferred Shares, and any other outstanding Preferred Shares, shall be insufficient to permit the payment in full to such holders of Term Preferred Shares of the Liquidation Preference plus accumulated and unpaid dividends and other distributions and the amounts due upon liquidation with respect to such other Preferred Shares, then the available assets shall be distributed among the holders of such Term Preferred Shares and such other series of Preferred Shares ratably in proportion to the respective preferential liquidation amounts to which they are entitled. In connection with any liquidation, dissolution or winding up of the affairs of the Fund whether voluntary or involuntary, unless and until the Liquidation Preference on each outstanding Term Preferred Share plus accumulated and unpaid dividends and other distributions has been paid in full to the holders of Term Preferred Shares, no dividends, distributions or other payments will be made on, and no redemption, purchase or other acquisition by the Fund will be made by the Fund in respect of, the Common Shares.

Neither the sale of all or substantially all of the property or business of the Fund, nor the merger, consolidation or reorganization of the Fund into or with any other business or statutory trust, corporation or other entity, nor the merger, consolidation or reorganization of any other business or statutory trust, corporation or other entity into or with the Fund will be a dissolution, liquidation or winding up, whether voluntary or involuntary, for purposes of the provisions relating to liquidation set forth in the Statement.

### **Voting Rights**

Except as otherwise provided in the Fund's Declaration of Trust, the Statement, or as otherwise required by applicable law, each holder of Term Preferred Shares will be entitled to one vote for each Term Preferred Share held by such holder on each matter submitted to a vote of shareholders of the Fund. The holders of outstanding Preferred Shares, including the Term Preferred Shares, will vote together with holders of Common Shares of the Fund as a single class. Under applicable rules of the NYSE, the Fund is currently required to hold annual meetings of shareholders.

In addition, the holders of outstanding Preferred Shares, including the Term Preferred Shares, will be entitled, as a class, to the exclusion of the holders of all other securities and classes of Common Shares, to elect two trustees of the Fund at all times. The holders of outstanding Common

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Shares and Preferred Shares, including Term Preferred Shares, voting together as a single class, will elect the balance of the trustees of the Fund.

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Notwithstanding the foregoing, if (i) at the close of business on any dividend payment date for dividends on any outstanding Preferred Share, including any outstanding Term Preferred Shares, accumulated dividends (whether or not earned or declared) on the Preferred Shares, including the Term Preferred Shares, equal to at least two full year's dividends shall be due and unpaid and sufficient cash or specified securities shall not have been deposited with the Redemption and Paying Agent or other applicable paying agent for the payment of such accumulated dividends; or (ii) at any time holders of any Preferred Shares are entitled under the 1940 Act to elect a majority of the trustees of the Fund (a period when either of the foregoing conditions exists, a Voting Period), then the number of members constituting the Board of Trustees will automatically be increased by the smallest number that, when added to the two trustees elected exclusively by the holders of Preferred Shares, including the Term Preferred Shares, as described above, would constitute a majority of the Board as so increased by such smallest number; and the holders of the Preferred Shares, including the Term Preferred Shares, will be entitled as a class on a one-vote-per-share basis, to elect such additional trustees. The terms of office of the persons who are trustees at the time of that election will not be affected by the election of the additional trustees. If the Fund thereafter shall pay, or declare and set apart for payment, in full all dividends payable on all outstanding Preferred Shares, including Term Preferred Shares, for all past dividend periods, or the Voting Period is otherwise terminated, (i) the voting rights stated above shall cease, subject always, however, to the reversion of such voting rights in the holders of Preferred Shares upon the further occurrence of any of the events described herein, and (ii) the terms of office of all of the additional trustees so elected will terminate automatically. Any Preferred Shares, including Term Preferred Shares, and any Preferred Shares issued after the date hereof will vote with Term Preferred Shares as a single class on the matters described above, and the issuance of any other Preferred Shares, may reduce the voting power of the holders of Term Preferred Shares. A Voting Period will terminate when all of the conditions described above cease to exist.

As soon as practicable after the accrual of any right of the holders of Preferred Shares to elect additional trustees as described above, the Fund will call a special meeting of such holders and notify the Redemption and Paying Agent and/or such other person as is specified in the terms of such Preferred Shares to receive notice, (i) by mailing or delivery by electronic means or (ii) in such other manner and by such other means as are specified in the terms of such Preferred Shares, a notice of such special meeting to such holders, such meeting to be held not less than 10 nor more than 30 calendar days after the date of the delivery by electronic means or mailing of such notice. If the Fund fails to call such a special meeting, it may be called at the expense of the Fund by any such holder on like notice. The record date for determining the holders of Preferred Shares entitled to notice of and to vote at such special meeting shall be the close of business on the fifth Business Day preceding the calendar day on which such notice is mailed or otherwise delivered. At any such special meeting and at each meeting of holders of Preferred Shares held during a Voting Period at which trustees are to be elected, such holders, voting together as a class (to the exclusion of the holders of all other securities and classes of capital stock of the Fund), will be entitled to elect the number of additional trustees prescribed above on a one-vote-per-share basis.

Except as otherwise permitted by the terms of the Statement, so long as any Term Preferred Shares are outstanding, the Fund will not, without the affirmative vote of the holders of at least a majority of Term Preferred Shares of all series outstanding at the time, voting as a separate class, amend, alter or repeal the provisions of the Declaration of Trust or the Statement, whether by merger, consolidation or otherwise, so as to (i) alter or abolish any preferential right of such Term Preferred Share, or (ii) create, alter or abolish any right in respect of redemption of such Term Preferred Share; provided that a division, stock split or reverse stock split of a Term Preferred Share will not, by itself, be deemed to have any of the effects set forth in clause (i) or (ii) above. So long as any Term Preferred Shares are outstanding, the Fund will not, without the affirmative vote or consent of at least  $66\frac{2}{3}\%$  of the holders of Term Preferred Shares outstanding at the time, voting as a separate class, file a voluntary application for relief under United States bankruptcy law or any similar application under state law for so long as the Fund is solvent and does not foresee becoming insolvent. No vote of the holders of Common Shares will be required to amend, alter or repeal the provisions of the Statement, including any appendix.

Except as otherwise permitted by the terms of the Statement, and subject to the paragraph below, so long as any Term Preferred Shares are outstanding, the Fund will not, without the affirmative vote or consent of the

holders of at least a majority of the Term Preferred Shares outstanding at the time, voting as a separate class, amend, alter or repeal: (i) the provisions of the appendix to the Statement relating to a series of Term Preferred Shares, whether by merger, consolidation or otherwise, so as to materially and adversely affect any preference, right or power set forth in such appendix of the series of Term Preferred Shares or the holders thereof; or (ii) the provisions of the appendix of the Statement for a series of Term Preferred Shares setting forth the Liquidation Preference for such Term Preferred Shares; provided that a division, stock split or reverse stock split of a Term Preferred Share shall not, by itself, be deemed to violate clause (i) or (ii) above. For purposes of clause (i) above, no matter shall be deemed to materially and adversely affect any preference, right or power of a Term Preferred Share or the holder thereof unless such matter (i) alters or abolishes any preferential right of such Term Preferred Share, or (ii) creates, alters or abolishes any right in respect of redemption of such Term Preferred Share. For the avoidance of doubt, no vote of the holders of Common Shares will be required to amend, alter or repeal the provisions of the Statement, including any appendix to the Statement.

So long as any Term Preferred Shares are outstanding, the Fund will not, without the unanimous vote or consent of the holders of such Term Preferred Shares outstanding at the time, voting as a separate class, amend, alter or repeal the provisions of the appendix to the Statement relating to such Term Preferred Shares, which provisions obligate the Fund to (i) pay the Term Redemption Price on the Term Redemption Date for Term Preferred Shares, (ii) accumulate dividends at the Dividend Rate (as set forth in the Statement and the applicable appendix to the Statement) for the Term Preferred Shares or (iii) pay the Optional Redemption Premium (if any) provided for in the appendix to the Statement for such Term Preferred Shares; provided that a division, stock split or reverse stock split of a Term Preferred Share shall not, by itself, be deemed to violate clause (i), (ii) or (iii) above. For the avoidance of doubt, no vote of the holders of Common Shares will be required to amend, alter or repeal the provisions of the Statement, including any appendix to the Statement.

Unless a higher percentage is provided for in the Declaration of Trust of the Fund, (i) the affirmative vote of the holders of at least a majority of the outstanding Preferred Shares, including the Term Preferred Shares outstanding at the time, voting as a separate class, will be required (i) to approve any conversion of the Fund from a closed-end to an open-end investment company, (ii) to approve any plan of reorganization (as such term is defined in Section 2(a)(33) of the 1940 Act) adversely affecting such Preferred Shares or (iii) to approve any other action requiring a vote of security holders of the Fund under Section 13(a) of the 1940 Act. For purposes of the foregoing, the vote of a majority of the outstanding Preferred Shares means the vote at an annual or special meeting duly called of (i) 67% or more of such shares present at a meeting, if the holders of more than 50% of such shares are present or represented by proxy at such meeting, or (ii) more than 50% of such shares, whichever is less.

For purposes of determining any rights of the holders of Term Preferred Shares to vote on any matter, whether such right is created by the Statement, by the provisions of the Declaration of Trust, by statute or otherwise, no holder of Term Preferred Shares will be entitled to vote any Term Preferred Shares and no Term Preferred Shares will be deemed to be outstanding for the purpose of voting or determining the number of shares required to constitute a quorum if, prior to or concurrently with the time of determination of shares entitled to vote or the time of the actual vote on the matter, as the case may be, the requisite Notice of Redemption with respect to such Term Preferred Shares will have been given in accordance with the Statement, and Deposit Securities for the payment of the Redemption Price of such Term Preferred Shares will have been deposited in trust with the Redemption and Paying Agent for that purpose. No Term Preferred Shares held (legally or beneficially) by the Fund will have any voting rights or be deemed to be outstanding for voting or for calculating the voting percentage required on any other matter or other purposes.

Notwithstanding anything herein to the contrary, the Rating Agency Guidelines discussed below, as they may be amended from time to time by the respective Rating Agency, may be amended by the respective Rating Agency without the vote, consent or approval of the Fund, the Board of Trustees and any holder of Preferred Shares, including any Term Preferred Shares, or any other shareholder of the Fund.

Unless otherwise required by law or the Declaration of Trust, holders of Term Preferred Shares will not have any relative rights or preferences or other special rights with respect to voting other than those specifically set

forth in the Voting Rights section of the Statement. The holders of Term Preferred Shares will have no rights to cumulative voting. In the event that the Fund fails to declare or pay any dividends on Term Preferred Shares, the exclusive remedy of the holders will be the right to vote for additional trustees as discussed above; provided that the foregoing does not affect the obligation of the Fund to accumulate and, if permitted by applicable law, the Declaration of Trust and the Statement, pay dividends at the Increased Rate as discussed above.

### **Rating Agencies**

The Fund will use commercially reasonable efforts to cause at least one Rating Agency with respect to the Term Preferred Shares to issue long term credit rating with respect to Term Preferred Shares for so long as such Term Preferred Shares are outstanding. The Board of Trustees has initially designated each of Moody's and Fitch as a Rating Agency. The Fund will use commercially reasonable efforts to comply with any applicable Rating Agency Guidelines. Rating Agency Guidelines are guidelines of any Rating Agency, as they may be amended or modified from time to time, compliance with which is required to cause such Rating Agency to continue to issue a rating with respect to Term Preferred Shares for so long as such Term Preferred Shares are outstanding. If a Rating Agency ceases to rate securities of closed-end management investment companies generally, the Board of Trustees will terminate the designation of such Rating Agency as a Rating Agency. The Board of Trustees may elect to terminate the designation of any Rating Agency previously designated by the Board of Trustees to act as a Rating Agency for purposes of the Statement so long as either (i) immediately following such termination, there would be at least one Rating Agency with respect to the Term Preferred Shares or (ii) it replaces the terminated Rating Agency with another NRSRO and provides notice thereof to the holders of Term Preferred Shares; provided that such replacement will not occur unless such replacement Rating Agency will have at the time of such replacement (i) published a rating for the Term Preferred Shares and (ii) entered into an agreement with the Fund to continue to publish such rating subject to the Rating Agency's customary conditions. A copy of the current Rating Agency Guidelines will be provided to any holder of Term Preferred Shares promptly upon request therefor made by such holder to the Fund by writing the Fund at 333 West Wacker Dr., Chicago, Illinois 60606.

The Board of Trustees may also elect to designate one or more other NRSROs as Rating Agencies with respect to Term Preferred Shares by notice to the holders of the Term Preferred Shares. The Rating Agency Guidelines of any Rating Agency may be amended by such Rating Agency without the vote, consent or approval of the Fund, the Board of Trustees or any holder of Preferred Shares, including any Term Preferred Shares, or Common Shares.

### **Issuance of Additional Preferred Shares**

So long as any Term Preferred Shares are outstanding, the Fund may, without the vote or consent of the holders thereof, authorize, establish and create and issue and sell shares of one or more series of a class of Preferred Shares, ranking on a parity with Term Preferred Shares as to payment of dividends and the distribution of assets upon dissolution, liquidation or the winding up of the affairs of the Fund, in addition to then outstanding Term Preferred Shares, including additional series of Term Preferred Shares, and authorize, issue and sell additional shares of any such series of Preferred Shares then outstanding or so established or created, including additional Term Preferred Shares, in each case in accordance with applicable law, provided that the Fund will, immediately after giving effect to the issuance of such additional Preferred Shares and to its receipt and application of the proceeds thereof, including to an irrevocable deposit in respect of the redemption of Preferred Shares or the repayment of indebtedness with such proceeds, have Asset Coverage of at least 225%.

### **Actions on Other than Business Days**

Unless otherwise provided herein or in the Statement, if the date for making any payment, performing any act or exercising any right is not a Business Day, such payment will be made, act performed or right exercised on the next succeeding Business Day, with the same force and effect as if made or done on the nominal date provided therefor, and, with respect to any payment so made, no dividends, interest or other amount will

accrue for the period between such nominal date and the date of payment.

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## Modification

To the extent permitted by applicable law and the Statement, the Board of Trustees, without the vote of the holders of Term Preferred Shares, may interpret, supplement or amend the provisions of the Statement or any appendix thereto to supply any omission, resolve any inconsistency or ambiguity or to cure, correct or supplement any defective or inconsistent provision, including any provision that becomes defective after the date hereof because of impossibility of performance or any provision that is inconsistent with any provision of any other Preferred Shares of the Fund.

## USE OF LEVERAGE

Regulatory leverage consists of senior securities as defined under the 1940 Act, which include (1) borrowings, including loans from financial institutions; (2) issuance of debt securities; and (3) issuance of preferred shares. The Fund will seek to invest any net cash proceeds from regulatory leverage in a manner consistent with the Fund's objective and policies. In addition to the regulatory leverage described above, the Fund may also enter into derivatives transactions, such as certain credit default swaps, total return swaps and bond futures, that have the economic effect of leverage by creating additional investment exposure. See "The Fund's Investments Portfolio Composition and Other Information Derivatives" in the accompanying prospectus and "Hedging Transactions" in the SAI. The Fund may also borrow money for repurchase of its shares or as a temporary measure for extraordinary or emergency purposes, including the payment of dividends and the settlement of securities transactions which otherwise might require untimely dispositions of Fund securities. The Fund may use leverage to the extent permissible under the 1940 Act.

The amounts and forms of leverage used by the Fund may vary with prevailing market or economic conditions. The timing and terms of any leverage transactions are determined by the Board of Trustees. There is no assurance that the Fund's leveraging strategy will be successful.

The Fund currently employs regulatory leverage through Borrowings and currently has outstanding Series 2023 Term Preferred Shares, Series 2022 Term Preferred Shares and Series 2027 Term Preferred Shares. The Fund intends to use the net proceeds from the sale of Term Preferred Shares to increase the Fund's leverage or to repay a portion of the Fund's borrowing under its Credit Agreement. The Fund may in the future issue additional types of Preferred Shares.

With respect to Borrowings, the Fund has entered into a Credit Agreement with TD Bank. The borrowing capacity under the Credit Agreement is \$195 million. The term of the Credit Agreement ends on December 23, 2017, unless extended. The Fund has the right to augment or replace the Credit Agreement with a new credit agreement at any time, and any such augmented or replacement credit agreement may contain terms that are materially different than the terms contained in the existing Credit Agreement, including terms that limit payments to holders of Term Preferred Shares. As of January 31, 2017, the Fund's outstanding balance on these Borrowings under the Credit Agreement was \$ . For the fiscal year ended July 31, 2016, the average daily balance outstanding and average annual interest rate on Borrowings under the Old Credit Agreement were \$164,933,880 and 1.28%, respectively. The Credit Agreement is secured by substantially all of the assets of the Fund. The amount of outstanding Borrowings may vary with prevailing market or economic conditions. The Fund borrows money at rates generally available to institutional investors.

Any Borrowings of the Fund, including Borrowings currently under the Credit Agreement with TD Bank, will have seniority over Term Preferred Shares. The rights of lenders, such as TD Bank, and any other creditors to receive payments of interest on and repayments of principal of any Borrowings are senior to the rights of holders of Preferred Shares, including Term Preferred Shares, and Common Shares, with respect to the payment of dividends and other distributions, and upon liquidation. The Fund may not be permitted to declare dividends and other distributions with respect to the Term Preferred Shares and Common Shares or redeem Term Preferred Shares unless at such time, the Fund meets certain asset coverage requirements and no event of default or other



circumstance exists under the Credit Agreement or with respect to any other Borrowings that would limit or otherwise block payments in redemption. Borrowings and Preferred Shares, such as the Term Preferred Shares, will have seniority over the Common Shares.

Prior to the closing date of this offering, the Fund expects to enter into an interest rate swap with Morgan Stanley Capital Services LLC that seeks to convert the economic impact of the dividend payable by the Fund on the Term Preferred Shares to a variable rate exposure. Under the swap, the Fund would receive a fixed payment at a rate equal to the applicable dividend rate being paid by the Fund on the Term Preferred Shares and in turn pay a fixed spread to the one-month U.S. dollar LIBOR index. Morgan Stanley Capital Services LLC has the right, but not the obligation, to terminate the swap agreement on the first Business Day of each month beginning on 1, . Settlement of the swap is contingent on the closing of the Term Preferred Shares offering. The swap termination date is not contractually tied to the redemption of the Term Preferred Shares. Terms and conditions of the swap may be modified by the mutual written agreement of the Fund and Morgan Stanley Capital Services LLC.

In addition, given the current economic and debt market environment with historically low short-term to intermediate term interest rates, the Fund may use derivatives such as interest rate swaps to manage the Fund's effective interest rate exposure. Interest rate swaps do not involve the delivery of securities or other underlying assets or principal. Accordingly, the risk of loss with respect to the swap counterparty on such transactions is limited to the net amount of interest payments that the Fund is to receive. Interest rate swap positions are valued daily. Although there are economic advantages of entering into interest rate swap transactions, there are also additional risks. The Fund helps manage the credit risks associated with interest rate swap transactions by entering into agreements only with counterparties whom Nuveen Fund Advisors and Symphony believe have the financial resources to honor their obligations and by having Nuveen Fund Advisors and Symphony continually monitor the financial stability of the swap counterparties.

Depending on the state of interest rates in general, the Fund's use of interest rate swaps could enhance or harm the overall performance of the Common Shares. In addition, if the counterparty to an interest rate swap defaults, the Fund would not be able to use the anticipated net receipts under the swap to offset the interest payments on Borrowings or the dividend payments on outstanding Preferred Shares, including Term Preferred Shares. Depending on whether the Fund would be entitled to receive net payments from the counterparty on the swap, which in turn would depend on the general state of short-term interest rates at that point in time, such a default could negatively impact the performance of the Shares. In addition, at the time an interest rate swap transaction reaches its scheduled termination date, there is a risk that the Fund would not be able to obtain a replacement transaction or that the terms of the replacement would not be as favorable as on the expiring transaction. If this occurs, it could have a negative impact on the performance of the Shares. The Fund could be required to prepay the principal amount of any Borrowings. Such redemption or prepayment would likely result in the Fund seeking to terminate early all or a portion of any swap transaction. Early termination of a swap could result in a termination payment by or to the Fund. See Use of Leverage and Risk Factors Fund Level Risks Leverage Risk.

So long as the rate of return, net of applicable Fund expenses, on the Fund's portfolio investments exceeds the then current interest rate on Borrowings and the Preferred Shares' dividend rate, the investment of the proceeds of Borrowings and the Preferred Shares will generate more income than will be needed to make interest and dividend payments. If so, the excess will be available to pay higher dividends to Common Shareholders. Changes in the value of the Fund's portfolio, including costs attributable to Borrowings or Preferred Shares, such as the Term Preferred Shares, will be borne entirely by the Common Shareholders. If there is a net decrease (or increase) in the value of the Fund's investment portfolio, the leverage will decrease (or increase) the NAV per Common Share to a greater extent than if the Fund were not leveraged.

The Fund pays Nuveen Fund Advisors a management fee (which in turn pays a portion of its fee to the Fund's sub-adviser, Symphony) based on a percentage of Managed Assets. Managed Assets for this purpose

includes the proceeds realized from the Fund's use of leverage as set forth in the Fund's investment management agreement. See Management of the Fund Investment Management and Sub-Advisory Agreements. Nuveen Fund Advisors will be responsible for using leverage to pursue the Fund's investment objective, and will base its decision regarding whether and how much to leverage to use for the Fund based solely on its assessment of whether such use of leverage will advance the Fund's investment objective. However, a decision to increase the Fund's leverage will have the effect of increasing Managed Assets and therefore Nuveen Fund Advisors' and Symphony's management fee. Thus, Nuveen Fund Advisors and Symphony may have a conflict of interest in determining whether to increase the Fund's use of leverage. Nuveen Fund Advisors will seek to manage that incentive by only increasing the Fund's use of leverage when it determines that such increase is in the best interest of the Fund and is consistent with the Fund's investment objective, and by periodically reviewing the Fund's performance and use of leverage with the Board of Trustees.

Under the 1940 Act, the Fund generally is not permitted to borrow or issue commercial paper or notes unless immediately after the borrowing or commercial paper or note issuance the value of the Fund's total assets less liabilities other than the principal amount represented by commercial paper, notes or borrowings, is at least 300% of such principal amount. The Fund intends, to the extent possible, to prepay all or a portion of the principal amount of any outstanding borrowing, notes or commercial paper to the extent necessary in order to maintain the required asset coverage. Failure to maintain certain asset coverage requirements could result in an event of default and entitle the debt holders to elect a majority of the Board of Trustees.

Under the 1940 Act, the Fund is not permitted to issue Preferred Shares unless immediately after such issuance, the value of the Fund's asset coverage is at least 200% of the liquidation value of the outstanding Preferred Shares (i.e., such liquidation value may not exceed 50% of the Fund's asset coverage). In addition, the Fund is not permitted to declare any cash dividend or other distribution on its Common Shares unless, at the time of such declaration, the value of the Fund's asset coverage less liabilities other than borrowings is at least 200% of such liquidation value. The Fund intends, to the extent possible, to purchase or redeem Preferred Shares from time to time to the extent necessary in order to maintain asset coverage with respect to the Preferred Shares.

The Fund is subject to certain restrictions imposed by either guidelines of one or more rating agencies that may issue ratings for the Preferred Shares, including Term Preferred Shares, commercial paper or notes, or by TD Bank in the case of the Credit Agreement. These guidelines generally include asset coverage requirements; portfolio characteristics such as portfolio diversification and credit rating criteria; and qualitative views on the Fund and Fund management. While these restrictions and guidelines may impose different requirements than those under the 1940 Act, it is not anticipated that these restrictions or guidelines will impede the management of the Fund's portfolio in accordance with the Fund's investment objective and policies.

## TAX MATTERS

Please see Tax Matters in the accompanying prospectus and in the SAI for a discussion of the tax implications of purchasing, holding and selling Term Preferred Shares. Foreign shareholders should note the updated disclosure below.

### Foreign Shareholders

U.S. taxation of a shareholder who, as to the United States, is a nonresident alien individual, a foreign trust or estate, a foreign corporation or foreign partnership (foreign shareholder) generally depends on whether the income received from the Fund is effectively connected with a U.S. trade or business carried on by the shareholder. In addition, unless certain foreign entities that hold Fund shares comply with requirements that generally require them to report information regarding U.S. persons investing in, or holding accounts with, such entities, a 30% withholding tax may apply to Fund distributions payable to such entities and repurchase proceeds and certain capital gain dividends payable to such entities after December 31, 2018. A foreign shareholder may be exempt from the withholding described in this paragraph under an applicable

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intergovernmental agreement between the U.S. and a foreign government, provided that the shareholder and the applicable foreign government comply with the terms of such agreement.

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**UNDERWRITER**

Under the terms and subject to the conditions contained in an underwriting agreement dated the date of this Prospectus Supplement, Morgan Stanley & Co. LLC (the Underwriter ) has agreed to purchase, and the Fund has agreed to sell to the Underwriter, Term Preferred Shares.

The Underwriter is offering the Term Preferred Shares subject to its acceptance of the Term Preferred Shares from the Fund and subject to prior sale. The underwriting agreement provides that the obligation of the Underwriter to pay for and accept delivery of the Term Preferred Shares offered by this Prospectus Supplement is subject to the approval of certain legal matters by its counsel and to certain other conditions. The Underwriter is obligated to take and pay for all of the Term Preferred Shares offered by this Prospectus Supplement if any such Term Preferred Shares are taken.

The Underwriter initially proposes to offer part of the Term Preferred Shares directly to the public at the public offering price listed on the cover page of this Prospectus Supplement and part to certain dealers at a price that represents a concession not in excess of \$ per Term Preferred Share under the public offering price. The underwriting discounts and commissions of \$ per Term Preferred Share are equal to % of the public offering price. Investors must pay for any Term Preferred Shares purchased on or before [March ], 2017.

The following table shows the per share and total public offering price, underwriting discounts and commissions, and estimated offering costs and proceeds, after expenses, to the Fund.

	<b>Per Term Preferred Share</b>	<b>Total</b>
Public Offering Price	\$ 1,000	\$
Underwriting Discounts and Commissions	\$	\$
Estimated Offering Costs	\$	\$
Proceeds, After Expenses, to the Fund	\$	\$

The Fund anticipates that the Underwriter may from time to time act as broker and dealer in connection with the execution of its portfolio transactions after it has ceased to be Underwriter and, subject to certain restrictions, may act as such broker while it is the Underwriter.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter or its affiliates, from time to time, have provided in the past, and may provide in the future, investment banking, securities trading, hedging, brokerage activities, commercial lending and financial advisory services to the Fund, its affiliates and Nuveen Fund Advisors, Symphony and their affiliates in the ordinary course of business, for which they have received, and may receive, customary fees and expenses. Morgan Stanley Capital Services LLC, an affiliate of the Underwriter, is expected to act as counterparty to an interest rate swap with the Fund. See Prospectus Supplement Summary Swap.

No action has been taken in any jurisdiction (except in the United States) that would permit a public offering of the Term Preferred Shares, or the possession, circulation or distribution of this Prospectus Supplement or any other material relating to the Fund or the Term Preferred Shares where action for that purpose is required. Accordingly, the Term Preferred Shares may not be offered or sold, directly or indirectly, and none of this Prospectus Supplement, the accompanying prospectus nor any other offering material or advertisements in connection with the Term

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Preferred Shares may be distributed or published, in or from any country or jurisdiction except in compliance with the applicable rules and regulations of any such country or jurisdiction.

The Fund, Nuveen Fund Advisors, Symphony and the Underwriter have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act of 1933.

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The principal business address of the Underwriter is 1585 Broadway, New York, New York 10036.

#### **Additional Compensation to be Paid by the Fund**

The Fund has agreed to pay Morgan Stanley & Co. LLC, from its own assets, an upfront structuring fee in the amount of \$ \_\_\_\_\_ for assisting with the design and structuring of, and marketing assistance with respect to, the Term Preferred Shares, and assistance with the offering of the Term Preferred Shares, including, without limitation, views from an investor market perspective on the proposed terms of the Term Preferred Shares. The upfront structuring fee paid to Morgan Stanley & Co. LLC will not exceed \_\_\_\_\_ % of the total public offering price of the Term Preferred Shares. The amount of this structuring fee is calculated based on the total sales of Term Preferred Shares by Morgan Stanley & Co. LLC.

#### **LEGAL OPINIONS**

Certain legal matters in connection with Term Preferred Shares will be passed upon for the Fund by Stradley Ronon Stevens & Young, LLP, Chicago, Illinois, and for the underwriter by Jones Day, New York, New York. Stradley Ronon Stevens & Young, LLP may rely as to certain matters of Massachusetts law on the opinion of Morgan, Lewis & Bockius LLP, Boston, Massachusetts.

#### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The audited financial statements of the Fund appearing in the Fund's Annual Report for the fiscal year ended July 31, 2016 are incorporated by reference into the Statement of Additional Information. The financial statements for the fiscal year ended July 31, 2016 have been audited by KPMG LLP, an independent registered public accounting firm, as set forth in their report thereon and incorporated herein by reference. Such audited financial statements are incorporated by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing. The information with respect to the fiscal years ended prior to July 31, 2015 has been audited by Ernst & Young LLP, an independent registered public accounting firm. The principal business address of KPMG LLP is 200 East Randolph Drive, Suite 5500, Chicago, Illinois, 60601.

#### **MISCELLANEOUS**

To the extent that a holder of Term Preferred Shares is directly or indirectly a beneficial owner of more than 10% of any class of the Fund's outstanding shares (meaning for purposes of holders of Term Preferred Shares, more than 10% of the Fund's outstanding Preferred Shares), such a 10% beneficial owner would be subject to the short-swing profit rules that are imposed pursuant to Section 16 of the Securities Exchange Act of 1934, as amended (the Exchange Act) (and related reporting requirements). These rules generally provide that such a 10% beneficial owner may have to disgorge any profits made on purchases and sales, or sales and purchases, of the Fund's Preferred Shares (including Term Preferred Shares) within any six month time period. Investors should consult with their own counsel to determine the applicability of these rules.

#### **AVAILABLE INFORMATION**

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The Fund is subject to the informational requirements of the Exchange Act and the 1940 Act and is required to file reports, proxy statements and other information with the SEC, including an annual report for the years ended July 31 and a semi-annual report for the six month periods ended January 31. These documents can be inspected and copied for a fee at the SEC's public reference room, 100 F Street, NE, Washington, D.C. 20549. Reports, proxy statements, and other information about the Fund can be inspected at the offices of the SEC.

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This Prospectus Supplement does not contain all of the information in the Fund's Registration Statement, including amendments, exhibits, and schedules. Statements in this Prospectus Supplement about the contents of any contract or other document are not necessarily complete and in each instance reference is made to the copy of the contract or other document filed as an exhibit to the Registration Statement, each such statement being qualified in all respects by this reference.