

AMERICAN REALTY INVESTORS INC
Form SC 13D/A
August 27, 2018

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 17)

AMERICAN REALTY INVESTORS, INC.

(Name of Issuer)

Common Stock, \$0.01 par value

(Title of Class of Securities)

029174-10-9

(CUSIP Number)

Gene S. Bertcher

1603 LBJ Freeway, Suite 300

Dallas, Texas 75234

(469) 522-4200

(469) 522-4360 (Facsimile)

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

August 22, 2018

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rules 13d-1(b)(3) or (4), check the following box [].

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

The remainder of this cover page shall be filled out for a reporting persons's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 029174-10-9

name of reporting
person

1

arcadian energy,
inc.

2

check the
appropriate
box if a (A)
member (B)
of a
group
sec use only

3

source of funds

4

WC and OO
check if
disclosure of
legal
proceedings is
required
pursuant to o
items 2(d) or
2(e)

5

6 citizenship or
place of
organization

nevada

number of
shares **7** sole voting
power

beneficially
owned by **8** 542,303
shared
voting
power

each

reporting **9** -0-

person sole
with dispositive
 power

542,303
10 shared
dispositive
power

11 -0-
aggregate amount
beneficially owned
by each reporting
person

12 542,303
check box
if the
aggregate
amount in
row (11) 0
excludes
certain
shares

13 percent of class
represented by
amount in row
(11)

14 3.39%
type of reporting
person

OO

CUSIP No. 029174-10-9

name of reporting
person

1

Realty Advisors,
LLC

2

check the
appropriate
box if a (A)
member (B)
of a
group
sec use only

3

source of funds

4

WC and OO
check if
disclosure of
legal
proceedings is
required
pursuant to
items 2(d) or
2(e)

5

6

citizenship or
place of
organization

nevada

number of
shares

7

sole voting
power

beneficially

8

2,470,000*
shared
voting
power

owned by

each

reporting

9

-0-
sole
dispositive
power

person

with 2,470,000*
10 shared
dispositive
power

11 -0-
aggregate amount
beneficially owned
by each reporting
person

12 3,929,828**
check box
if the
aggregate
amount in
row (11)
excludes
certain
shares

13 percent of class
represented by
amount in row
(11)

14 24.57%
type of reporting
person

OO

* 7,921,508 shares were previously reported under Realty Advisors, LLC, but 5,451,508 of such shares are held in accounts of Realty Advisors, Inc. [the sole Member of Realty Advisors, LLC] and should have been (and are now) reported there.

** RA Stock Holdings, Inc., which owns 1,429,828 shares (9.13%), is wholly owned by Realty Advisors, LLC.

CUSIP No. 029174-10-9

name of reporting
person

1 RA Stock
Holdings, Inc.
(formerly, Prime
Stock Holdings,
Inc.)
check the
appropriate
2 box if a (A)
member (B)
of a
group
sec use only

3

4 source of funds

WC
check if
disclosure of
legal
proceedings is
5 required o
pursuant to
items 2(d) or
2(e)

6 citizenship or
place of
organization

nevada
number of sole voting
7 shares power
1,459,828
beneficially **8** shared
owned by voting
power

each
reporting person **9** -0- sole dispositive power
with **10** 1,459,828 shared dispositive power

11 -0- aggregate amount beneficially owned by each reporting person

12 1,459,828 check box if the aggregate amount in row (11) excludes certain shares

13 percent of class represented by amount in row (11)

14 9.13% type of reporting person
CO

CUSIP No. 029174-10-9

name of reporting
person

1

Realty Advisors,
Inc.

2 check the
appropriate
box if a (A)
member (B)
of a
group
sec use only

3

source of funds

4

WC
check if
disclosure of
legal
proceedings is
required
pursuant to o
items 2(d) or
2(e)

5

citizenship or
place of
organization

6

nevada

number of
shares **7** sole voting
power

beneficially
owned by **8** 9,457,140*
shared
voting
power

each

reporting **9** -0-
person sole
dispositive
power

with 9,457,140*
10 shared
dispositive
power

11 -0-
aggregate amount
beneficially owned
by each reporting
person

12 13,929,271**
check box if
the
aggregate
amount in
row (11)
excludes
certain
shares

13 percent of class
represented by
amount in row (11)

14 87.07%
type of reporting
person

CO

* At least 5,451,508 of such shares were previously reported as held by Realty Advisors, LLC, the sole Member of which is Realty Advisors, Inc., which shares are actually held in accounts of Realty Advisors, Inc.

** Includes (i) 1,429,828 shares (9.13%) owned by RA Stock Holdings, Inc., which is wholly owned by Realty Advisors, LLC, (ii) 2,470,000 shares (15.44%) owned by Realty Advisors, LLC, the sole member of which is Realty Advisors, Inc., (iii) 542,303 shares (3.39%) owned by Arcadian Energy, Inc., which is wholly owned by Realty Advisors, Inc., and (iv) 9,457,140 shares (59.12%) owned by Realty Advisors, Inc.

CUSIP No. 029174-10-9

name of reporting
person

1

Transcontinental
Realty Investors,
Inc.

check the
appropriate (A)
box if a
member of (B)
a group
sec use only

2

3

source of funds

4

OO
check if
disclosure of
legal
proceedings is o
required
pursuant to
items 2(d) or
2(e)
citizenship or
place of
organization

5

6

nevada

number of sole voting
shares **7** power

beneficially 140,000*
owned by **8** shared
 voting
 power

each
reporting **9** -0-
person sole
 dispositive
 power

with 140,000*
10 shared
dispositive
power

11 -0-
aggregate amount
beneficially owned
by each reporting
person

12 140,000*
check box if
the aggregate
amount in
row (11)
excludes
certain shares

13 percent of class
represented by
amount in row (11)

14 0.94%
type of reporting
person

CO

* 229,214 shares were previously reported, but a physical count in June 2018 revealed only 140,000 held. As the shares were previously pledged as collateral to Metropolitan Savings, it is believed that such institution sold 89,214 shares into the market.

CUSIP No. 029174-10-9

name of reporting
person

1

The Gene E.
Phillips Children's
Trust

2

check the
appropriate
box if a (A)
member (B)
of a
group
sec use only

3

source of funds

4

OO
check if
disclosure of
legal
proceedings is
required
pursuant to
items 2(d) or
2(e)
citizenship or
place of
organization

5

6

texas

number of
shares

7

sole voting
power

beneficially

8

27,602
shared
voting
power

owned by

each

reporting

9

-0-
sole
dispositive

person power
with 27,602
10 shared
dispositive
power

11 -0-
aggregate amount
beneficially owned
by each reporting
person

12 27,602
check box
if the
aggregate
amount in
row (11) o
excludes
certain
shares

13 percent of class
represented by
amount in row
(11)

14 0.172%
type of reporting
person

OO

CUSIP No. 029174-10-9

name of reporting person

1 May Realty Holdings, Inc. (formerly, Realty Advisors Management, Inc.)

check the appropriate

2 box if a member (B)

of a group

3 sec use only source of funds

WC

check if disclosure of legal

5 proceedings is required

pursuant to items 2(d) or 2(e)

citizenship or place of

6 organization

nevada

number of shares **7** sole voting power

-0-

beneficially owned by **8** shared voting power

power

each reporting **9** -0- sole

dispositive

person power
 with -0-
 10 shared
 dispositive
 power

11 -0-
 aggregate amount
 beneficially owned
 by each reporting
 person

12 13,929,271*
 check box if
 the
 aggregate
 amount in
 row (11) o
 excludes
 certain
 shares

13 percent of class
 represented by
 amount in row (11)

14 87.07%
 type of reporting
 person

CO

* Includes (i) 1,429,828 Shares (9.13%) owned by RA Stock Holdings, Inc., which is wholly owned by Realty Advisors, LLC, (ii) 2,470,000 Shares (15.44%) owned directly by Realty Advisors, LLC, the sole member of which is Realty Advisors, Inc., (iii) 542,303 Shares (3.39%) owned by Arcadian Energy, Inc., which is a wholly owned subsidiary of Realty Advisors, Inc., and (iv) 9,457,140 Shares owned directly by Realty Advisors, Inc., which is wholly owned by May Realty Holdings, Inc.

Item 1. Security and Issuer

This Amendment No. 17 to Statement on Schedule 13D (this "Amendment No. 17") relates to shares of Common Stock, par value \$0.01 per share (the "Shares") of American Realty Investors, Inc., a Nevada corporation (the "Issuer" or "ARL"), and further amends the original Statement on Schedule 13D as amended by Amendment Nos. 1 through 16 thereto (the "Amended Statement") previously filed with the Securities and Exchange Commission (the "Commission") by the "Reporting Persons" described below. The principal executive offices of the Issuer are located at 1603 LBJ Freeway, Suite 800, Dallas, Texas 75234. The Shares are listed and traded on the New York Stock Exchange ("NYSE"). The CUSIP number of the Shares is 029174-10-9.

This Amendment No. 17 to Schedule 13D is being filed (i) to reflect the correct number of Shares held by two of the Reporting Persons, following account confirmations concluded on August 22, 2018, and (ii) to include a new Reporting Person which holds 542,303 Shares, which Reporting Person was acquired as a subsidiary of one of the Reporting Persons. See Items 2 and 5 below.

Item 2. Identity and Background

Item 2 of the Amended Statement is hereby further amended as follows:

(a)-(c) This Amendment No. 17 is filed on behalf of The Gene E. Phillips Children's Trust, a trust formed under the laws of the State of Texas (the "GEP Trust"), Transcontinental Realty Investors, Inc., a Nevada corporation ("TCI"), May Realty Holdings, Inc. (formerly, Realty Advisors Management, Inc.), a Nevada corporation ("MRHI"), Realty Advisors, Inc., a Nevada corporation ("RAI"), the sole stockholder of which is MRHI, Realty Advisors, LLC, a Nevada limited liability company ("RALLC"), the sole member of which is RAI and RA Stock Holdings, Inc. (formerly, Prime Stock Holdings, Inc.), a Nevada corporation ("Holdings"), which is wholly owned by RALLC and Arcadian Energy, Inc., a Nevada corporation ("AEI"), which has been, since December 21, 2017, a wholly owned subsidiary of RAI. Each of the Reporting Persons has its principal executive offices located at 1603 LBJ Freeway, Suite 300, Dallas, Texas 75234. All of GEP Trust, TCI, MRHI, RAI, RALLC, Holdings and AEI are collectively referred to as the "Reporting Persons." The Reporting Persons may be deemed to constitute a "person" within the meaning of Section 13(d) of the Securities Exchange Act of 1934, as amended, because Holdings is owned by RALLC, the sole member of which is RAI, the sole stockholder of which is MRHI, which is beneficially owned by a trust established for the benefit of Gene E. Phillips' children. RALLC owns all of the voting securities of Holdings. RAI owns all of the voting securities of AEI. The executive officers of TCI are also executive officers of MRHI, RAI and RALLC. Mr. Phillips' son, Bradford A. Phillips, serves as a Vice President of MRHI and is one of the beneficiaries of the GEP Trust. The executive officers of ARL are also executive officers of TCI.

Item 5. Interest in Securities of the Issuer

The Amended Statement is hereby further amended as follows:

(a) According to the latest information available from the Issuer, as of June 30, 2018, the total number of issued and outstanding Shares was 15,997,076. After giving effect to the matters described in item 5(c), the Reporting Persons own and hold directly and beneficially the following Shares as of August 22, 2018:

9

Name	No. of Shares Owned Directly	Approximate Percent of Class
AEI	542,303	3.39%
GEP Trust	27,602	0.172%
TCI	140,000	0.88%
RALLC	2,470,000	15.44%
RAI	9,457,140	59.12%
MRHI	-0-	0.00%
Holdings	<u>1,459,828</u>	<u>9.13%</u>
	<u>14,096,873</u>	<u>88.12%</u>

Pursuant to Rule 13d-3 under the Exchange Act, each of the directors of Holdings may be deemed to beneficially own the number of Shares owned by Holdings described above; each of the directors of MRHI may be deemed to beneficially own the number of Shares owned by RAI, RALLC, Holdings and AEI described above; each of the managers of RALLC may be deemed to beneficially own the number of Shares beneficially owned by RALLC and Holdings; each of the directors of RAI may be deemed to beneficially own the number of Shares owned by RALLC, Holdings and AEI described above; the director of AEI may be deemed to beneficially own the number of Shares of AEI described above; each of the directors of TCI may be deemed to beneficially own the number of Shares owned by TCI described above; the Trustees of the GEP Trust may be deemed to beneficially own the Shares held directly by the GEP Trust. Those individuals and the number of Shares deemed beneficially owned pursuant to Rule 13d-3 and the approximate percent of the class, as well as the relationship, as of August 22, 2018, are set forth in the following table:

Name of Director and/or Manager	Entity	No. of Shares Beneficially Owned	Percent of Class
Donald W. Phillips	GEP Trust	27,602	0.172%
Mickey Ned Phillips	AEI, RALLC, MRHI, Holdings, and RAI	13,929,271	87.07%

Henry A. Butler	TCI	140,000	0.88%
Robert A. Jakuszewski	TCI	140,000	0.88%
Ted R. Munselle	TCI	140,000	0.88%
Raymond D. Roberts	TCI	140,000	0.88%
Gene S. Bertcher	RALLC and Holdings	3,929,828	24.57%
Daniel J. Moos+	RALLC and Holdings	<u>3,929,828</u>	<u>24.57%</u>

Total Shares beneficially owned by Reporting Persons and individuals listed above: 14,096,873

, a (the "Fund"), and NUVEEN ASSET MANAGEMENT, a Delaware corporation (the "Adviser"). W I T N E S S E T H In consideration of the mutual covenants hereinafter contained, it is hereby agreed by and between the parties hereto as follows:

1. The Fund hereby employs the Adviser to act as the investment adviser for, and to manage the investment and reinvestment of the assets of the Fund in accordance with the Fund's investment objective and policies and limitations, and to administer the Fund's affairs to the extent requested by and subject to the supervision of the ("Board") of the Fund for the period and upon the terms herein set forth. The investment of the Fund's assets shall be subject to the Fund's policies, restrictions and limitations with respect to securities investments as set forth in the Fund's then current registration statement under the Investment Company Act of 1940, and all applicable laws and the regulations of the Securities and Exchange Commission relating to the management of registered closed-end, diversified management investment companies. The Adviser accepts such employment and agrees during such period to render such services, to furnish office facilities and equipment and clerical, bookkeeping and administrative services (other than such services, if any, provided by the Fund's transfer agent) for the Fund, to permit any of its officers or employees to serve without compensation as trustees or officers of the Fund if elected to such positions, and to assume the obligations herein set forth for the compensation herein provided. The Adviser shall, for all purposes herein provided, be deemed to be an independent contractor and, unless otherwise expressly provided or authorized, shall have no authority to act for nor represent the Fund in any way, nor otherwise be deemed an agent of the Fund.

2. For the services and facilities described in Section 1, the Fund will pay to the Adviser, at the end of each calendar month, an investment management fee equal to the sum of a Fund-Level Fee and a Complex-Level Fee. A. The Fund Level Fee shall be

computed by applying the following annual rate to the average total daily net assets of the Fund: ----- AVERAGE
TOTAL DAILY NET ASSETS RATE

----- B. The Complex-Level Fee shall be calculated by reference to the daily net assets of the Eligible Funds, as defined below (with such daily net assets to include, in the case of Eligible Funds whose advisory fees are calculated by reference to net assets that include net assets attributable to preferred stock issued by or B-1 borrowings by the fund, such leveraging net assets) ("Complex-Level Assets"), pursuant to the following annual fee schedule: ----- COMPLEX-LEVEL DAILY MANAGED ASSETS(1) RATE

----- First \$55 billion .2000% Next \$1 billion .1800% Next \$1 billion .1600% Next \$3 billion .1425% Next \$3 billion .1325% Next \$3 billion .1250% Next \$5 billion .1200% Next \$5 billion .1175% Next \$15 billion .1150% ----- (1) With

respect to Complex-Level Assets over \$91 billion, the fee rate or rates that will apply to such assets will be determined at a later date. The parties agree that, in the unlikely event that Complex-Wide Assets reach \$91 billion prior to the parties reaching an agreement as to the Complex-Level Fee rate or rates to be applied to such assets, the Complex-Level Fee rate for such Complex-Level Assets shall be .1400% until such time as the parties agree to a different rate or rates. C. "Eligible Funds", for purposes of this Agreement, shall mean all Nuveen-branded closed-end and open-end registered investment companies organized in the United States. Any open-end or closed-end funds that subsequently become part of the Nuveen complex because either (a) Nuveen Investments, Inc. or its affiliates acquire the investment adviser to such funds (or the adviser's parent), or (b) Nuveen Investments, Inc. or its affiliates acquire the fund's adviser's rights under the management agreement for such fund, will be evaluated by both Nuveen management and the Nuveen Funds' Board, on a case-by-case basis, as to whether or not these acquired funds would be included in the Nuveen complex of Eligible Funds and, if so, whether there would be a basis for any adjustments to the complex-level breakpoints. D. For the month and year in which this Agreement becomes effective, or terminates, there shall be an appropriate proration on the basis of the number of days that the Agreement shall have been in effect during the month and year, respectively. The services of the Adviser to the Fund under this Agreement are not to be deemed exclusive, and the Adviser shall be free to render similar services or other services to others so long as its services hereunder are not impaired thereby. 3. The Adviser shall arrange for officers or employees of the Adviser to serve, without compensation from the Fund, as , officers or agents of the Fund, if duly elected or appointed to such positions, and subject to their individual consent and to any limitations imposed by law. 4. Subject to applicable statutes and regulations, it is understood that officers, , or agents of the Fund are, or may be, interested in the Adviser as officers, directors, agents, shareholders or otherwise, and that the officers, B-2 directors, shareholders and agents of the Adviser may be interested in the Fund otherwise than as trustees, officers or agents. 5. The Adviser shall not be liable for any loss sustained by reason of the purchase, sale or retention of any security, whether or not such purchase, sale or retention shall have been based upon the investigation and research made by any other individual, firm or corporation, if such recommendation shall have been selected with due care and in good faith, except loss resulting from willful misfeasance, bad faith, or gross negligence on the part of the Adviser in the performance of its obligations and duties, or by reason of its reckless disregard of its

obligations and duties under this Agreement. 6. The Adviser currently manages other investment accounts and funds, including those with investment objectives similar to the Fund, and reserves the right to manage other such accounts and funds in the future. Securities considered as investments for the Fund may also be appropriate for other investment accounts and funds that may be managed by the Adviser. Subject to applicable laws and regulations, the Adviser will attempt to allocate equitably portfolio transactions among the portfolios of its other investment accounts and funds purchasing securities whenever decisions are made to purchase or sell securities by the Fund and one or more of such other accounts or funds simultaneously. In making such allocations, the main factors to be considered by the Adviser will be the respective investment objectives of the Fund and such other accounts and funds, the relative size of portfolio holdings of the same or comparable securities, the availability of cash for investment by the Fund and such other accounts and funds, the size of investment commitments generally held by the Fund and such accounts and funds, and the opinions of the persons responsible for recommending investments to the Fund and such other accounts and funds. 7. This Agreement shall continue in effect until [August 1, 2006], unless and until terminated by either party as hereinafter provided, and shall continue in force from year to year thereafter, but only as long as such continuance is specifically approved, at least annually, in the manner required by the Investment Company Act of 1940. This Agreement shall automatically terminate in the event of its assignment, and may be terminated at any time without the payment of any penalty by the Fund or by the Adviser upon no less than sixty (60) days' written notice to the other party. The Fund may effect termination by action of the Board or by vote of a majority of the outstanding voting securities of the Fund, accompanied by appropriate notice. This Agreement may be terminated, at any time, without the payment of any penalty, by the Board of the Fund, or by vote of a majority of the outstanding voting securities of the Fund, in the event that it shall have been established by a court of competent jurisdiction that the Adviser, or any officer or director of the Adviser, has taken any action which results in a breach of the covenants of the Adviser set forth herein. B-3 Termination of this Agreement shall not affect the right of the Adviser to receive payments on any unpaid balance of the compensation, described in Section 2, earned prior to such termination. 8. If any provision of this Agreement shall be held or made invalid by a court decision, statute, rule, or otherwise, the remainder shall not be thereby affected. 9. Any notice under this Agreement shall be in writing, addressed and delivered or mailed, postage prepaid, to the other party at such address as such other party may designate for receipt of such notice. 10. The Fund's Declaration of Trust is on file with the Secretary of the . This Agreement is executed on behalf of the Fund by the Fund's officers as officers and not individually and the obligations imposed upon the Fund by this Agreement are not binding upon any of the Fund's Board, officers or shareholders individually but are binding only upon the assets and property of the Fund. 11. This Agreement shall be construed in accordance with applicable federal law and (except as to Section 10 hereof which shall be construed in accordance with the laws of) the laws of the State of Illinois. IN WITNESS WHEREOF, the Fund and the Adviser have caused this Agreement to be executed on the day and year above written. by: ----- Vice President Attest: ----- Assistant Secretary NUVEEN ASSET MANAGEMENT by: ----- Managing Director Attest: ----- Assistant Secretary B-4 APPENDIX C

COMPLEX-LEVEL FEE RATES

----- COMPLEX DAILY NET ASSETS FEE RATE ----- First \$55 billion 0.2000% Next \$1 billion 0.1800% Next \$1 billion 0.1600% Next \$3 billion

0.1425% Next \$3 billion 0.1325% Next \$3 billion 0.1250% Next \$5 billion 0.1200%
Next \$5 billion 0.1175% Next \$15 billion 0.1150%

----- FUND-LEVEL FEE
RATES, AGGREGATE MANAGEMENT FEES PAID AND NET ASSETS

FEES PAID TO THE ADVISER FUND AVERAGE DAILY NET DURING LAST
NET ASSETS FUND ASSETS FEE RATE(1) FISCAL YEAR(2) AS OF 5/1/05

Municipal Value(3) For the first \$500 million 0.1500% \$10,462,875
\$1,993,520,130.42 For the next \$500 million 0.1375% For net assets over \$1 billion
0.1250%

Municipal Income For the first \$125 million 0.4500% \$ 555,018 \$ 88,482,604.62 For
the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next \$500
million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion 0.3875% For
net assets of \$5 billion 0.3750% and over

Premium Income For the first \$125 million 0.4500% \$ 9,099,976 \$1,496,746,376.51
For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next
\$500 million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion
0.3875% For net assets of \$5 billion 0.3750% and over

C-1

FEES PAID TO THE ADVISER FUND AVERAGE DAILY NET DURING LAST
NET ASSETS FUND ASSETS FEE RATE(1) FISCAL YEAR(2) AS OF 5/1/05

Performance Plus For the first \$125 million 0.4500% \$ 8,700,777 \$1,427,099,128.31
For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next
\$500 million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion
0.3875% For net assets of \$5 billion 0.3750% and over

Municipal Advantage For the first \$125 million 0.4500% \$ 6,441,514
\$1,045,896,483.34 For the next \$125 million 0.4375% For the next \$250 million
0.4250% For the next \$500 million 0.4125% For the next \$1 billion 0.4000% For the
next \$3 billion 0.3875% For net assets of \$5 billion 0.3750% and over

Municipal Market Opportunity For the first \$125 million 0.4500% \$ 6,670,810
\$1,082,502,525.63 For the next \$125 million 0.4375% For the next \$250 million
0.4250% For the next \$500 million 0.4125% For the next \$1 billion 0.4000% For the
next \$3 billion 0.3875% For net assets of \$5 billion 0.3750% and over

Investment Quality For the first \$125 million 0.4500% \$ 5,398,345 \$ 866,276,913.76
For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next
\$500 million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion
0.3875% For net assets of \$5 billion 0.3750% and over

Insured Quality For the first \$125 million 0.4500% \$ 5,711,518 \$ 917,642,891.65 For
the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next \$500
million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion 0.3875% For
net assets of \$5 billion 0.3750% and over

C-2

FEES PAID TO THE ADVISER FUND AVERAGE DAILY NET DURING LAST
NET ASSETS FUND ASSETS FEE RATE(1) FISCAL YEAR(2) AS OF 5/1/05

Select Quality For the first \$125 million 0.4500% \$ 5,017,364 \$ 811,419,400.16 For
the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next \$500
million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion 0.3875% For
net assets of \$5 billion 0.3750% and over

Quality Income For the first \$125 million 0.4500% \$ 7,880,764 \$1,295,321,371.71 For
the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next \$500
million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion 0.3875% For
net assets of \$5 billion 0.3750% and over

Insured Municipal Opportunity For the first \$125 million 0.4500% \$12,010,312
\$1,973,506,203.30 For the next \$125 million 0.4375% For the next \$250 million
0.4250% For the next \$500 million 0.4125% For the next \$1 billion 0.4000% For the
next \$3 billion 0.3875% For net assets of \$5 billion 0.3750% and over

Premier Municipal For the first \$125 million 0.4500% \$ 2,987,029 \$ 472,717,190.09
For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next
\$500 million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion
0.3875% For net assets of \$5 billion 0.3750% and over

Premier Insured For the first \$125 million 0.4500% \$ 2,959,435 \$ 467,504,044.88 For
the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next \$500
million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion 0.3875% For
net assets of \$5 billion 0.3750% and over

C-3

FEES PAID TO THE ADVISER FUND AVERAGE DAILY NET DURING LAST
NET ASSETS FUND ASSETS FEE RATE(1) FISCAL YEAR(2) AS OF 5/1/05

Premium Income 2 For the first \$125 million 0.4500% \$ 6,055,655 \$ 981,119,555.64
For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next
\$500 million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion
0.3875% For net assets of \$5 billion 0.3750% and over

Premium Income 4 For the first \$125 million 0.4500% \$ 5,687,089 \$ 929,529,463.13
For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next
\$500 million 0.4125% For the next \$1 billion 0.4000% For the next \$3 billion
0.3875% For net assets of \$5 billion 0.3750% and over

Insured Premium Income 2 For the first \$125 million 0.4500% \$ 5,008,357 \$
804,550,062.41 For the next \$125 million 0.4375% For the next \$250 million 0.4250%
For the next \$500 million 0.4125% For the next \$1 billion 0.4000% For the next \$3
billion 0.3875% For net assets of \$5 billion 0.3750% and over

Dividend Advantage For the first \$125 million 0.4500% \$ 3,017,092(3) \$ 904,535,709.34 For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next \$500 million 0.4125% For the next \$1 billion 0.4000% For net assets of \$2 billion 0.3750% and over

Dividend Advantage 2 For the first \$125 million 0.4500% \$ 2,199,564(4) \$ 689,515,546.87 For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next \$500 million 0.4125% For the next \$1 billion 0.4000% For net assets of \$2 billion 0.3750% and over

C-4

FEES PAID TO THE ADVISER FUND AVERAGE DAILY NET DURING LAST NET ASSETS FUND ASSETS FEE RATE(1) FISCAL YEAR(2) AS OF 5/1/05

Dividend Advantage 3 For the first \$125 million 0.4500% \$ 2,963,030(4) \$ 938,433,765.75 For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next \$500 million 0.4125% For the next \$1 billion 0.4000% For net assets of \$2 billion 0.3750% and over

Insured Dividend Advantage For the first \$125 million 0.4500% \$ 2,275,738(4) \$ 699,012,514.72 For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next \$500 million 0.4125% For the next \$1 billion 0.4000% For net assets of \$2 billion 0.3750% and over

Insured Tax-Free Advantage For the first \$125 million 0.4500% \$ 1,313,752(5) \$ 420,632,184.11 For the next \$125 million 0.4375% For the next \$250 million 0.4250% For the next \$500 million 0.4125% For the next \$1 billion 0.4000% For net assets of \$2 billion 0.3750% and over

Municipal High Income For the first \$125 million 0.5500% \$ 1,766,717(5) \$ 509,655,969.46 For the next \$125 million 0.5375% For the next \$250 million 0.5250% For the next \$500 million 0.5125% For the next \$1 billion 0.5000% For net assets of \$2 billion 0.4750% and over

Select Maturities For the first \$125 million 0.3000% \$ 628,515 \$ 127,539,884.65 For the next \$125 million 0.2875% For the next \$250 million 0.2750% For the next \$500 million 0.2625% For the next \$1 billion 0.2500% For net assets of \$2 billion 0.2375% and over

Select Portfolio For the first \$125 million 0.0500% \$ 575,022 \$ 242,505,778.90 For the next \$125 million 0.0375% For the next \$250 million 0.0250% For the next \$500 million 0.0125%

C-5

FEES PAID TO THE ADVISER FUND AVERAGE DAILY NET DURING LAST NET ASSETS FUND ASSETS FEE RATE(1) FISCAL YEAR(2) AS OF 5/1/05

Select Portfolio 2 For the first \$125 million 0.1000% \$ 729,898 \$ 256,240,976.04 For the next \$125 million 0.0875% For the next \$250 million 0.0750% For the next \$500

million 0.0625% For the next \$1 billion 0.0500% For net assets of \$2 billion 0.0375% and over

 Select Portfolio 3 For the first \$125 million 0.1000% \$ 536,276 \$ 186,732,951.50 For the next \$125 million 0.0875% For the next \$250 million 0.0750% For the next \$500 million 0.0625% For the next \$1 billion 0.0500% For net assets of \$2 billion 0.0375% and over

 California Portfolio For the first \$125 million 0.1000% \$ 268,217 \$ 92,416,487.86 For the next \$125 million 0.0875% For the next \$250 million 0.0750% For the next \$500 million 0.0625% For the next \$1 billion 0.0500% For net assets of \$2 billion 0.0375% and over

 New York Portfolio For the first \$125 million 0.1000% \$ 165,342 \$ 56,550,995.42 For the next \$125 million 0.0875% For the next \$250 million 0.0750% For the next \$500 million 0.0625% For the next \$1 billion 0.0500% For net assets of \$2 billion 0.0375% and over

 (1) The fee rates shown above went into effect on August 1, 2004. Prior to August 1, 2004, the investment management fee paid by each Fund was calculated using the above fund-level fee rates plus 0.20% at each breakpoint asset level. There was no complex-level component of the investment management fee prior to August 1, 2004. (2) Prior to January 1, 2005, investment management services were provided to the Funds by Nuveen Advisory Corp. ("NAC") or Nuveen Institutional Advisory Corp. ("NIAC"). Effective January 1, 2005, NAC and NIAC were merged into NAM. As a result, NAC and NIAC became a part of NAM and ceased to exist separately. Prior to the reorganization, management fees were paid to NAC or NIAC. Currently and under the New Investment Management Agreements, all management fees will be paid to NAM. Like NAM, NAC and NIAC were wholly- owned subsidiaries of Nuveen. (3) Municipal Value's fund-level fee is computed using the average weekly net assets of the Fund. In addition, Municipal Value pays an annual management fee based on gross interest income as follows: 4.125% for the first \$50 million of gross interest income, 4.000% for the next \$50 million of gross interest income and 3.875% for gross interest income over \$100 million. (4) Includes mandatory fee waiver of 0.30% for the period November 1, 2003 through July 31, 2004 and 0.25% for the period August 1, 2004 through October 31, 2004. (5) Includes mandatory fee waiver of 0.30%. (6) Includes mandatory fee waiver of 0.32%. C-6 APPENDIX D OFFICERS AND DIRECTORS OF NUVEEN ASSET MANAGEMENT ("NAM") WHO ARE NOT OFFICERS OR BOARD MEMBERS OF THE FUNDS

----- NAME
 PRINCIPAL OCCUPATION

----- John P. Amboian
 President and Director of Nuveen Investments, Inc., Nuveen Asset Management, Nuveen Investments, LLC, Rittenhouse Asset Management, Inc., Nuveen Investments Advisers Inc. and Nuveen Investments Holdings, Inc. Alan Berkshire Senior Vice President, Secretary and General Counsel of Nuveen Investments, Inc., Nuveen Asset Management, Nuveen Investments, LLC, Rittenhouse Asset Management, Inc. and Nuveen Investments Holdings, Inc.; Senior Vice President and Secretary of Nuveen Investments Advisers Inc.; Assistant Secretary of NWQ Investment Management Company, LLC and Secretary of Symphony Asset Management, LLC. Stuart J. Cohen Vice President, Assistant Secretary and Assistant General Counsel of Nuveen Asset

Management, Nuveen Investments, LLC, Nuveen Investments Holdings, Inc. and Rittenhouse Asset Management, Inc.; Vice President of Nuveen Investments Advisers Inc. Sherri A. Hlavacek Vice President and Corporate Controller of Nuveen Asset Management. Nuveen Investments, LLC, Nuveen Investments Holdings, Inc., Nuveen Investments Advisers Inc. and Rittenhouse Asset Management, Inc.; Vice President and Controller of Nuveen Investments, Inc.; Certified Public Accountant. Mary E. Keefe Managing Director of Nuveen Investments, Inc.; Managing Director and Chief Compliance Officer of Nuveen Investments, LLC, Nuveen Asset Management, Nuveen Investments Advisers Inc. and Rittenhouse Asset Management, Inc.; Chief Compliance Officer of Symphony Asset Management, LLC. Margaret E. Wilson Senior Vice President, Finance of Nuveen Investments, Inc., Nuveen Asset Management, Nuveen Investments, LLC, Rittenhouse Asset Management, Inc., Nuveen Investments Advisers Inc. and Nuveen Investments Holdings, Inc.

----- D-1 APPENDIX E
NUMBER OF COMMITTEE AND BOARD MEETINGS HELD DURING EACH
FUND'S LAST FISCAL YEAR

COMPLIANCE NOMINATING REGULAR SPECIAL RISK AND BOARD BOARD
EXECUTIVE MANAGEMENT GOVERNANCE DIVIDEND AUDIT FUND
MEETING MEETING COMMITTEE COMMITTEE COMMITTEE COMMITTEE
COMMITTEE

For each Fund, except 4 9 0 6 5 5 4 Municipal High Income(1) 4 9 2 6 5 6 2 Select
Maturities 4 5 0 4 5 4 4 Select Portfolio 4 5 0 4 5 4 4 Select Portfolio 2 4 5 0 4 5 4 4
Select Portfolio 3 4 5 0 4 5 4 4 California Portfolio 4 5 0 4 5 4 4 New York Portfolio 4
5 0 4 5 4 4

(1) Municipal High Income's fiscal year consists of November 19, 2003 to October 31, 2004. E-1 APPENDIX F NUVEEN MANAGEMENT INVESTMENT COMPANIES
AUDIT COMMITTEES CHARTER Revised January 18, 2005 I. ORGANIZATION
AND MEMBERSHIP There shall be a committee of each Board of Directors/Trustees
(the "Board") of the Nuveen Management Investment Companies (the "Funds" or,
individually, a "Fund") to be known as the Audit Committee. The Audit Committee
shall be comprised of at least three Directors/ Trustees. Audit Committee members
shall be independent of the Funds and free of any relationship that, in the opinion of
the Directors/Trustees, would interfere with their exercise of independent judgment as
an Audit Committee member. In particular, each member must meet the independence
and experience requirements applicable to the Funds of the New York Stock
Exchange, the American Stock Exchange, Section 10a of the Securities Exchange Act
of 1934 (the "Exchange Act"), and the rules and regulations of the Securities and
Exchange Commission (the "Commission"). Each such member of the Audit
Committee shall have a basic understanding of finance and accounting, be able to read
and understand fundamental financial statements, and be financially literate, and at
least one such member shall have accounting or related financial management
expertise, in each case as determined by the Directors/Trustees, exercising their
business judgment (this person may also serve as the Audit Committee's "financial
expert" as defined by the Commission). The Board shall appoint the members and the
Chairman of the Audit Committee, on the recommendation of the Nominating and
Governance Committee. The Audit Committee shall meet periodically but in any event
no less frequently than on a semi-annual basis. Except for the Funds, Audit Committee
members shall not serve simultaneously on the audit committees of more than two

other public companies. **II. STATEMENT OF POLICY, PURPOSE AND PROCESSES** The Audit Committee shall assist the Board in oversight and monitoring of (1) the accounting and reporting policies, processes and practices, and the audits of the financial statements, of the Funds; (2) the quality and integrity of the financial statements of the Funds; (3) the Funds' compliance with legal and regulatory requirements, (4) the independent auditors' qualifications, performance and independence; and (5) oversight of the Pricing Procedures of the Funds and the Valuation Group. In exercising this oversight, the Audit Committee can request other committees of the Board to assume responsibility for some of the monitoring as long as the other committees are composed exclusively of independent directors. In doing so, the Audit Committee shall seek to maintain free and open means of communication among the Directors/Trustees, the independent auditors, the internal auditors and the management of the Funds. The Audit Committee shall meet periodically with Fund management, the Funds' internal auditor, and the Funds' independent auditors, in separate executive sessions. The Audit Committee shall prepare reports of the Audit Committee as required by the Commission to be included in the Fund's annual proxy statements or otherwise. F-1 The Audit Committee shall have the authority and resources in its discretion to retain special legal, accounting or other consultants to advise the Audit Committee and to otherwise discharge its responsibilities, including appropriate funding as determined by the Audit Committee for compensation to independent auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for a Fund, compensation to advisers employed by the Audit Committee, and ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties, as determined in its discretion. The Audit Committee may request any officer or employee of Nuveen Investments, Inc. (or its affiliates) (collectively, "Nuveen") or the Funds' independent auditors or outside counsel to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. The Funds' independent auditors and internal auditors shall have unrestricted accessibility at any time to Committee members. **RESPONSIBILITIES** Fund management has the primary responsibility to establish and maintain systems for accounting, reporting, disclosure and internal control. The independent auditors have the primary responsibility to plan and implement an audit, with proper consideration given to the accounting, reporting and internal controls. Each independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Funds shall report directly to the Audit Committee. The independent auditors are ultimately accountable to the Board and the Audit Committee. It is the ultimate responsibility of the Audit Committee to select, appoint, retain, evaluate, oversee and replace any independent auditors and to determine their compensation, subject to ratification of the Board, if required. These Audit Committee responsibilities may not be delegated to any other Committee or the Board. The Audit Committee is responsible for the following: With respect to Fund financial statements: 1. Reviewing and discussing the annual audited financial statements and semi-annual financial statements with Fund management and the independent auditors including major issues regarding accounting and auditing principles and practices, and the Funds' disclosures in its periodic reports under "Management's Discussion and Analysis." 2. Requiring the independent auditors to deliver to the Chairman of the Audit Committee a timely report on any issues relating to the significant accounting policies, management judgments and accounting estimates or other matters that would need to be communicated under Statement on Auditing Standards (SAS) No. 90, Audit Committee Communications (which amended SAS No. 61, Communication with

Audit Committees), that arise during the auditors' review of the Funds' financial statements, which information the Chairman shall further communicate to the other members of the Audit Committee, as deemed necessary or appropriate in the Chairman's judgment. 3. Discussing with management the Funds' press releases regarding financial results and dividends, as well as financial information and earnings guidance F-2 provided to analysts and rating agencies. This discussion may be done generally, consisting of discussing the types of information to be disclosed and the types of presentations to be made. The Chairman of the Audit Committee shall be authorized to have these discussions with management on behalf of the Audit Committee. 4. Discussing with management and the independent auditors (a) significant financial reporting issues and judgments made in connection with the preparation and presentation of the Funds' financial statements, including any significant changes in the Funds' selection or application of accounting principles and any major issues as to the adequacy of the Funds' internal controls and any special audit steps adopted in light of material control deficiencies; and (b) analyses prepared by Fund management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements. 5. Discussing with management and the independent auditors the effect of regulatory and accounting initiatives on the Funds' financial statements. 6. Reviewing and discussing reports, both written and oral, from the independent auditors and/or Fund management regarding (a) all critical accounting policies and practices to be used; (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative treatments and disclosures, and the treatment preferred by the independent auditors; and (c) other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences. 7. Discussing with Fund management the Funds' major financial risk exposures and the steps management has taken to monitor and control these exposures, including the Funds' risk assessment and risk management policies and guidelines. In fulfilling its obligations under this paragraph, the Audit Committee may review in a general manner the processes other Board committees have in place with respect to risk assessment and risk management. 8. Reviewing disclosures made to the Audit Committee by the Funds' principal executive officer and principal financial officer during their certification process for the Funds' periodic reports about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Funds' internal controls. In fulfilling its obligations under this paragraph, the Audit Committee may review in a general manner the processes other Board committees have in place with respect to deficiencies in internal controls, material weaknesses, or any fraud associated with internal controls. F-3 With respect to the independent auditors: 1. Selecting, appointing, retaining or replacing the independent auditors, subject, if applicable, only to Board and shareholder ratification; and compensating, evaluating and overseeing the work of the independent auditor (including the resolution of disagreements between Fund management and the independent auditor regarding financial reporting). 2. Meeting with the independent auditors and Fund management to review the scope, fees, audit plans and staffing for the audit, for the current year. At the conclusion of the audit, reviewing such audit results, including the independent auditors' evaluation of the Funds' financial and internal controls, any comments or recommendations of the independent auditors, any audit problems or difficulties and

management's response, including any restrictions on the scope of the independent auditor's activities or on access to requested information, any significant disagreements with management, any accounting adjustments noted or proposed by the auditor but not made by the Fund, any communications between the audit team and the audit firm's national office regarding auditing or accounting issues presented by the engagement, any significant changes required from the originally planned audit programs and any adjustments to the financial statements recommended by the auditors. 3. Pre-approving all audit services and permitted non-audit services, and the terms thereof, to be performed for the Funds by their independent auditors, subject to the de minimis exceptions for non-audit services described in Section 10a of the Exchange Act that the Audit Committee approves prior to the completion of the audit, in accordance with any policies or procedures relating thereto as adopted by the Board or the Audit Committee. The Chairman of the Audit Committee shall be authorized to give pre-approvals of such non-audit services on behalf of the Audit Committee. 4. Obtaining and reviewing a report or reports from the independent auditors at least annually (including a formal written statement delineating all relationships between the auditors and the Funds consistent with Independent Standards Board Standard 1, as may be amended, restated, modified or replaced) regarding (a) the independent auditor's internal quality-control procedures; (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years, respecting one or more independent audits carried out by the firm; (c) any steps taken to deal with any such issues; and (d) all relationships between the independent auditor and the Funds and their affiliates, in order to assist the Audit committee in assessing the auditor's independence. After reviewing the foregoing report[s] and the independent auditor's work throughout the year, the Audit Committee shall be responsible for evaluating the qualifications, performance and independence of the independent auditor and their compliance with all applicable requirements for independence and peer review, and a review and evaluation of the lead partner, taking into account the opinions of Fund management and the internal auditors, and discussing such F-4 reports with the independent auditors. The Audit Committee shall present its conclusions with respect to the independent auditor to the Board. 5. Reviewing any reports from the independent auditors mandated by Section 10A(b) of the Exchange Act regarding any illegal act detected by the independent auditor (whether or not perceived to have a material effect on the Funds' financial statements) and obtaining from the independent auditors any information about illegal acts in accordance with Section 10A(b). 6. Ensuring the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law, and further considering the rotation of the independent auditor firm itself. 7. Establishing and recommending to the Board for ratification policies for the Funds', Fund management or the Fund adviser's hiring of employees or former employees of the independent auditor who participated in the audits of the Funds. 8. Taking, or recommending that the Board take, appropriate action to oversee the independence of the outside auditor. With respect to any internal auditor: 1. Reviewing the proposed programs of the internal auditor for the coming year. It is not the obligation or responsibility of the Audit Committee to confirm the independence of any Nuveen internal auditors performing services relating to the Funds or to approve any termination or replacement of the Nuveen Manager of Internal Audit. 2. Receiving a summary of findings from any completed internal audits pertaining to the Funds and a progress report on the proposed internal audit plan for the Funds, with explanations for significant deviations from the

original plan. With respect to pricing and valuation oversight: 1. The Board has responsibilities regarding the pricing of a Fund's securities under the 1940 Act. The Board has delegated this responsibility to the Committee to address valuation issues that arise between Board meetings, subject to the Board's general supervision of such actions. The Committee is primarily responsible for the oversight of the Pricing Procedures and actions taken by the internal Valuation Group ("Valuation Matters"). The Valuation Group will report on Valuation Matters to the Committee and/or the Board of Directors/Trustees, as appropriate. 2. Performing all duties assigned to it under the Funds' Pricing Procedures, as such may be amended from time to time. 3. Periodically reviewing and making recommendations regarding modifications to the Pricing Procedures as well as consider recommendations by the Valuation Group regarding the Pricing Procedures. F-5 4. Reviewing any issues relating to the valuation of a Fund's securities brought to the Committee's attention, including suspensions in pricing, pricing irregularities, price overrides, self-pricing, NAV errors and corrections thereto, and other pricing matters. In this regard, the Committee should consider the risks to the Funds in assessing the possible resolutions of these Valuation Matters. 5. Evaluating, as its deems necessary or appropriate, the performance of any pricing agent and recommend changes thereto to the full Board. 6. Reviewing any reports or comments from examinations by regulatory authorities relating to Valuation Matters of the Funds and consider management's responses to any such comments and, to the extent the Committee deems necessary or appropriate, propose to management and/or the full Board the modification of the Fund's policies and procedures relating to such matters. The Committee, if deemed necessary or desirable, may also meet with regulators. 7. Meeting with members of management of the Funds, outside counsel, or others in fulfilling its duties hereunder, including assessing the continued appropriateness and adequacy of the Pricing Procedures, eliciting any recommendations for improvements of such procedures or other Valuation Matters, and assessing the possible resolutions of issues regarding Valuation Matters brought to its attention. 8. Performing any special review, investigations or oversight responsibilities relating to Valuation as requested by the Board of Directors/Trustees. 9. Investigating or initiating an investigation of reports of improprieties or suspected improprieties in connection with the Fund's policies and procedures relating to Valuation Matters not otherwise assigned to another Board committee. Other responsibilities: 1. Reviewing with counsel to the Funds, counsel to Nuveen, the Fund adviser's counsel and independent counsel to the Board legal matters that may have a material impact on the Fund's financial statements or compliance policies. 2. Receiving and reviewing periodic or special reports issued on exposure/controls, irregularities and control failures related to the Funds. 3. Reviewing with the independent auditors, with any internal auditor and with Fund management, the adequacy and effectiveness of the accounting and financial controls of the Funds, and eliciting any recommendations for the improvement of internal control procedures or particular areas where new or more detailed controls or procedures are desirable. Particular emphasis should be given to the adequacy of such internal controls to expose payments, transactions or procedures that might be deemed illegal or otherwise improper. 4. Reviewing the reports of examinations by regulatory authorities as they relate to financial statement matters. F-6 5. Discussing with management and the independent auditor any correspondence with regulators or governmental agencies that raises material issues regarding the Funds' financial statements or accounting policies. 6. Obtaining reports from management with respect to the Funds' policies and procedures regarding compliance with applicable laws and regulations. 7. Reporting regularly to the Board on the results of the activities of the Audit Committee, including

any issues that arise with respect to the quality or integrity of the Funds' financial statements, the Funds' compliance with legal or regulatory requirements, the performance and independence of the Funds' independent auditors, or the performance of the internal audit function. 8. Performing any special reviews, investigations or oversight responsibilities requested by the Board. 9. Reviewing and reassessing annually the adequacy of this charter and recommending to the Board approval of any proposed changes deemed necessary or advisable by the Audit Committee. 10. Undertaking an annual review of the performance of the Audit Committee. 11. Establishing procedures for the receipt, retention and treatment of complaints received by the Funds regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission of concerns regarding questionable accounting or auditing matters by employees of Fund management, the investment adviser, administrator, principal underwriter, or any other provider of accounting related services for the Funds, as well as employees of the Funds. Although the Audit Committee shall have the authority and responsibilities set forth in this Charter, it is not the responsibility of the Audit Committee to plan or conduct audits or to determine that the Funds' financial statements are complete and accurate and are in accordance with generally accepted accounting principles. That is the responsibility of management and the independent auditors. Nor is it the duty of the Audit Committee to conduct investigations, to resolve disagreements, if any, between management and the independent auditors or to ensure compliance with laws and regulations. F-7

APPENDIX G AMENDED AND RESTATED NOMINATING AND GOVERNANCE COMMITTEE CHARTER I. NOMINATING AND GOVERNANCE COMMITTEE: MEMBERSHIP AND PURPOSE

The Nominating and Governance Committee shall be composed entirely of independent directors of the Board with one independent director elected as chair of the committee. The term "independent director" as used in this Charter means any director or trustee who is not an "interested person" of the Funds as such term is defined in the Investment Company Act of 1940, as amended, and any rules or regulations adopted thereunder (the "1940 Act"). The purpose of the Committee is to seek, identify and recommend to the Board qualified candidates for election or appointment to the Funds' Board of Directors, and matters related thereto. In addition, the Committee oversees matters of corporate governance, including the evaluation of Board performance and processes, and assignment and rotation of Committee members, the establishment of corporate governance guidelines and procedures, to the extent necessary or desirable, and matters related thereto. II. BOARD: SELECTION AND TENURE A. The Committee shall periodically review the composition of the Board of Directors, including its size and mix of skills, experience, and background. B. The Committee shall, as part of the recruitment process, and with the assistance of its counsel, define and clarify the duties and responsibilities of Board members. In performing this function, the Committee shall consider, among other things, legal and fiduciary duties; expectations regarding preparation, attendance, and participation at meetings; fund ownership; and limitations on investments. C. The Committee shall make nominations for director membership on the Board of Directors, with input from various sources as the committee deems necessary. The Committee shall evaluate the members of the current Board of Directors and identify, recruit and evaluate candidates for Board membership, including evaluation of their independence from the Funds' investment adviser and other principal service providers, including any affiliates of such persons, if applicable. The Committee shall consider the effect of any relationships beyond those delineated in the 1940 Act and any other applicable federal securities laws and regulations and rules and regulations of self-regulatory organizations that might impair their

independence, e.g., business, financial or family relationships with the Funds' investment adviser and service providers, including any affiliates of such persons. D. The Committee shall review on an annual basis questionnaires completed by all directors regarding their independence. G-1 E. The Committee shall periodically review and make recommendations with regard to the tenure of the directors, including term limits and/or age limits. F. The Committee shall look to many sources for recommendations of qualified directors. These sources shall include current directors, members of the management company, current security holders of the Funds, third party sources and any other persons or entities as may be deemed necessary or desirable by the Committee. The Committee may, but shall not be required to, develop and establish additional material elements of the foregoing policy in furtherance of the objectives and elements currently stated therein. G. The Committee may, but shall not be required to, establish necessary or desirable minimum qualifications to be possessed by all nominees and may also establish specific qualities or skills to be possessed by one or more directors. III. COMMITTEES: SELECTION AND REVIEW A. Subject to the approval of the full Board, the Committee shall review committee assignments at least annually and make nominations for director membership on all committees. The committee shall also recommend to the full Board the chair of each committee. B. The Committee shall periodically review and make recommendations to the full Board regarding the responsibilities and charters of any committee (other than the Audit Committee) of the Board, the continuing need for each committee, the need for additional committees, and the need or desire to combine or reorganize committees. IV. BOARD: EDUCATION AND OPERATIONS A. The Committee shall periodically review and make recommendations concerning continuing education for incumbent directors and appropriate orientation materials and procedures for new directors. B. The Committee shall periodically review and make recommendations concerning the organization of Board of Directors meetings, including the frequency, timing, content, and agendas of the meetings. C. The Committee shall evaluate the performance of the Board at least annually, with a view towards enhancing its effectiveness. D. The Committee shall establish a process by which security holders will be able to communicate in writing with members of the Board of Directors via regular mail. The Manager of Fund Board Relations, or such other person designated by the Committee, shall assist the Committee in developing and implementing this process. The process will also provide that the Manager of Fund Board Relations, or such other person designated by the Committee, will be appointed to administer the operations of the communications process established hereunder. Written communications to directors should be G-2 addressed to the Funds at the address of the principal offices of the Funds, which currently is 333 West Wacker Drive, Chicago, Illinois 60606. If the communication is intended for a specific director and so indicated it will be sent only to that director. If a communication does not indicate a specific director it will be sent to the Chair of the Committee and the outside counsel to the independent directors for further distribution as deemed appropriate by such persons. The Committee is hereby authorized to oversee the administration, implementation and maintenance of this communications process and further develop and refine this process as deemed necessary or desirable by the Committee. E. The Committee shall establish a policy relating to attendance by directors at annual meetings of the Funds. V. OTHER POWERS AND RESPONSIBILITIES A. The Committee shall monitor the performance of legal counsel, and any other service providers (other than the independent auditors, which are monitored by the Audit Committee) that are chosen by the directors, and shall supervise counsel for the independent directors. B. The Committee shall periodically review and make recommendations regarding director

compensation to the full Board of Directors. C. The Committee shall have the resources and authority to discharge its responsibilities, including authority to retain special counsel and other experts or consultants at the expense of the appropriate Fund(s). D. The Committee shall be authorized to adopt Key Practices to further develop, clarify and implement its duties and responsibilities as set forth in this Charter, which Key Practices may be amended and/or restated from time to time upon the approval of a majority of the members of the Committee. G-3 [NUVEEN INVESTMENTS LOGO] Nuveen Investments 333 West Wacker Drive Chicago, IL 60606-1286 (800) 257-8787 www.nuveen.com NUV0705 [NUVEEN INVESTMENTS LOGO] Nuveen Investments 333 West Wacker Drive Chicago, IL 60606 www.nuveen.com 3 EASY WAYS TO VOTE YOUR PROXY 1. Automated Touch Tone Voting: Call toll-free 1-800-690-6903 and follow the recorded instructions. 2. On the Internet at www.proxyweb.com, and follow the simple instructions. 3. Sign, Date and Return this proxy card using the enclosed postage-paid envelope. **** CONTROL NUMBER: 999 999 999 999 98 **** [FUND NAME PRINTS HERE] THIS PROXY IS SOLICITED BY THE BOARD OF THE FUND FOR AN ANNUAL MEETING OF SHAREHOLDERS, JULY 26, 2005 The Annual Meeting of shareholders will be held in the Assembly Room of The Northern Trust Company, 50 South LaSalle Street, Chicago, Illinois, on Tuesday, July 26, 2005, at 10:30 a.m., Chicago time. At this meeting, you will be asked to vote on the proposals described in the proxy statement attached. The undersigned hereby appoints Timothy R. Schwertfeger, Jessica R. Droeger and Gifford R. Zimmerman, and each of them, with full power of substitution, proxies for the undersigned, to represent and vote the shares of the undersigned at the Annual Meeting of shareholders to be held on July 26, 2005, or any adjournment or adjournments thereof. WHETHER OR NOT YOU PLAN TO JOIN US AT THE MEETING, PLEASE COMPLETE, DATE AND SIGN YOUR PROXY CARD AND RETURN IT IN THE ENCLOSED ENVELOPE SO THAT YOUR VOTE WILL BE COUNTED. AS AN ALTERNATIVE, PLEASE CONSIDER VOTING BY TELEPHONE (800) 690-6903 OR OVER THE INTERNET (www.proxyweb.com). Date: ----- SIGN HERE EXACTLY AS NAME(S) APPEAR(S) ON LEFT. (Please sign in Box)

----- NOTE: PLEASE SIGN YOUR NAME EXACTLY AS IT APPEARS ON THIS PROXY. IF SHARES ARE HELD JOINTLY, EACH HOLDER MUST SIGN THE PROXY, IF YOU ARE SIGNING ON BEHALF OF AN ESTATE, TRUST OR CORPORATION, PLEASE STATE YOUR TITLE OR CAPACITY. PLEASE FILL IN BOX(ES) AS SHOWN USING BLACK OR BLUE INK OR NUMBER 2 PENCIL. [X] PLEASE DO NOT USE FINE POINT PENS. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Annual Meeting. PROPERLY EXECUTED PROXIES WILL BE VOTED AS SPECIFIED. IF NO SPECIFICATION IS MADE, SUCH SHARES WILL BE VOTED "FOR" THE PROPOSAL SET FORTH IN THIS PROXY AND "FOR" THE ELECTION OF NOMINEES TO THE BOARD. FOR AGAINST ABSTAIN 1. Approval of the new investment management [] [] [] agreement. 2c. Election of Board Members: WITHHOLD FOR NOMINEES AUTHORITY listed at left to vote for all (except as marked nominees listed to the contrary) at left [] [] (01) Robert P. Bremner (06) William J. Schneider (02) Lawrence H. Brown (07) Timothy R. Schwertfeger (03) Jack B. Evans (08) Judith M. Stockdale (04) William C. Hunter (09) Eugene S. Sunshine (05) David J. Kundert (INSTRUCTION: TO WITHHOLD AUTHORITY TO VOTE FOR ANY INDIVIDUAL NOMINEE(S), WRITE THE NUMBER(S) OF THE NOMINEE(S) ON THE LINE PROVIDED BELOW.)

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