

Nuveen Build America Bond Fund
Form N-14 8C/A
May 04, 2018

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File No. 333-223801

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

FORM N-14
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Pre-Effective Amendment No. 1

Post-Effective Amendment No.

NUVEEN BUILD AMERICA BOND FUND

(Exact Name of Registrant as Specified in Charter)

333 West Wacker Drive

Chicago, Illinois 60606

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(Address of Principal Executive Offices: Number, Street, City, State, Zip Code)

(800) 257-8787

(Area Code and Telephone Number)

Gifford R. Zimmerman

Vice President and Secretary

Nuveen Investments

333 West Wacker Drive

Chicago, Illinois 60606

(Name and Address of Agent for Service)

Copies to:

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Chicago, Illinois 60601**

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111 West Monroe Street
Chicago, Illinois 60603**

Approximate Date of Proposed Public Offering: As soon as practicable after the effective date of this Registration Statement.

CALCULATION OF REGISTRATION FEE UNDER THE SECURITIES ACT OF 1933

Title of Securities Being Registered	Amount Being Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Shares of Beneficial Interest, \$.01 Par Value Per Share	8,501,386 Shares	\$21.58 ⁽¹⁾	\$183,459,909.88	\$22,840.76 ⁽²⁾

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- (1) Net asset value per common share on April 27, 2018.
- (2) Transmitted prior to filing. A registration fee of \$2.71 was paid in connection with the initial filing.

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

**IMPORTANT NOTICE TO SHAREHOLDERS
OF NUVEEN BUILD AMERICA BOND OPPORTUNITY FUND (NBD)**

AND

**NUVEEN BUILD AMERICA BOND FUND (NBB)
(EACH, A FUND AND COLLECTIVELY, THE FUNDS)**

INCLUDING

**IMPORTANT NOTICE REGARDING CHANGE IN INVESTMENT POLICY
OF NUVEEN BUILD AMERICA BOND FUND (NBB)**

[], 2018

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

Q. Why am I receiving the enclosed Joint Proxy Statement/Prospectus?

- A.** You are receiving the Joint Proxy Statement/Prospectus as a holder of common shares of Nuveen Build America Bond Opportunity Fund (the Target Fund) or Nuveen Build America Bond Fund (the Acquiring Fund) in connection with each Fund's annual shareholder meeting. In addition to the regular election of members of each Fund's Board of Trustees (each, a Board), at this meeting Acquiring Fund shareholders will be asked to eliminate a fundamental policy of the Fund that would require the Fund to terminate on or around June 30, 2020, effectively converting the Fund from a term structure to a perpetual structure. Each Fund's shareholders also will be asked to vote on certain proposals in connection with the proposed combination of the Target Fund and the Acquiring Fund (the Merger), which transaction will be contingent upon the elimination of the Acquiring Fund's fundamental policy. As more fully described below, these proposals are intended to benefit shareholders in a number of ways, including continued exposure to each Fund's portfolio of scarce Build America Bonds (BABs) with above-market purchase yields relative to current taxable municipal bond yields and avoidance of potentially sizeable taxable capital gain distributions that may result if the Funds are terminated pursuant to their contingent term provisions.

Your Fund's Board, including the independent Board members, unanimously recommends that you vote FOR each proposal applicable to your Fund.

Information Regarding the Proposals

Q. What makes Build America Bonds different from other types of bonds?

- A.** Build America Bonds are a unique asset class that were issued for a brief period from 2009 to 2010. BABs were issued by state and local governments pursuant to the American Recovery and Reinvestment Act of 2009 to finance capital investment in essential service infrastructure projects. Unlike investments in most other municipal securities, interest received on BABs is subject to federal income tax and may be subject to state income tax. Generally, there are two types of BABs: (1) direct payment bonds, and (2) tax credit bonds. Direct payment bonds provide a federal subsidy to the municipal issuer of up to 35% of the interest payable on the bond. Tax credit bonds provide a refundable tax credit directly to bond holders.

A preponderance of BABs were direct payment bonds. The federal subsidy allowed the interest rates paid by BAB issuers to be competitive with and often superior to the rates typically paid by issuers in the taxable bond market and enhances the creditworthiness of each bond. Although the U.S. Treasury subsidized the interest paid on the bonds, it did not guarantee the principal or interest payments nor pledge not to reduce or eliminate the subsidy in the future. Permitting state and local governments to issue taxable bonds, while preserving the benefits of the tax-exemption through the interest rate subsidy, made these securities more attractive to a broader investor base that does not benefit from the tax-exempt interest paid on traditional municipal bonds including pension funds, endowments and a variety of foreign investors. Even in the absence of the interest rate subsidy, municipal bonds have historically experienced significantly lower default rates than corporate bonds of comparable ratings and maturities. While issuers gained improved liquidity and a lower cost of capital through the issuance of BABs, investors generally gained superior yield, higher credit quality and opportunities for longer duration assets in comparison to traditional taxable bonds.

The BAB program expired on December 31, 2010 and has not been renewed. Accordingly, there have been no new issuances of BABs since that date. Although BABs are no longer issued, the strong demand from buy-and-hold institutional investors has driven the relative scarcity and significant tightening (shrinking) of credit spreads (the amount of additional yield paid on bonds of lower credit quality) for these types of securities. The Funds' launches coincided with the high point in BAB yields, which have since fallen from an average of 6.11% in 2010 to 3.93% as of March 16, 2018, as represented by the Barclays Build America Bond Index.

Q. Why are the Merger and other proposals in this Joint Proxy Statement/Prospectus being recommended?

- A.** Given the uncertainty around the continued issuance of BABs when the Funds were launched in 2010, as well as the prospects for the taxable municipal bond market more generally, each Fund adopted a fundamental policy requiring the Fund to terminate on a predetermined date if, for any twenty-four month period ending on or prior to December 31, 2014, there were no new issuances of BABs or other taxable municipal securities with U.S. Treasury subsidized interest payments (the Contingent Term Provision). The scheduled termination date for the Target Fund is December 31, 2020, and the scheduled termination date for the Acquiring Fund is June 30, 2020. The Funds' Contingent Term Provisions went into effect on January 1, 2013.

Since the beginning of 2013, BABs have continued to enjoy strong investor appeal, and the broader taxable municipal market has experienced continued growth. Because of the steep decline in BAB market yields and resulting increase in BABs prices since the Funds launched, a significant portion of each Fund's portfolio currently is comprised of BABs with above-market purchase yields and sizeable unrealized capital gains. Portfolio liquidation would trigger potentially large taxable capital gain distributions as well as the loss of exposure to these bonds and those above-market purchase yields. Nuveen Fund Advisors, LLC (Nuveen Fund Advisors), the Funds' investment adviser, believes that BABs remain an attractive investment opportunity due to their distinctive characteristics and has proposed the Merger, whereby Target Fund shareholders would become shareholders of the Acquiring Fund and certain changes to the policies of the Acquiring Fund, which are designed to offer Fund shareholders (including shareholders of the Target Fund as shareholders of the combined fund following the Merger) the opportunity to retain their investment exposure to the scarce supply of BABs while

also preserving the Funds' current attractive above-market purchase yields and deferring taxable capital gain distributions, if any.

Q. What specific changes have the Boards approved?

A. The Boards have approved the following proposals:

Combining the Target Fund and the Acquiring Fund through the Merger, subject to shareholder approval;

Authorizing the issuance of additional common shares of the Acquiring Fund in connection with the Merger, subject to approval of shareholders;

Authorizing a tender offer of up to 20% of the shares of the Acquiring Fund (including shares held by Target Fund shareholders as shareholders of the combined fund upon the approval and closing of the Merger) following the elimination of the Contingent Term Provision;

Eliminating the Acquiring Fund's fundamental policy that would require the Acquiring Fund to terminate on or around June 30, 2020 (i.e., the Contingent Term Provision), effectively converting the Fund from a term structure to a perpetual structure;

Modifying the Acquiring Fund's policy of investing at least 80% of managed assets in Build America Bonds to a policy of investing at least 80% of assets in taxable municipal securities;

Adopting such other changes to the non-fundamental policies of the Acquiring Fund to implement a broader taxable municipal investment mandate; and

Changing the name of the Acquiring Fund to Nuveen Taxable Municipal Income Fund.

Consummation of the Merger is contingent upon shareholders of the Acquiring Fund approving the elimination of the Acquiring Fund's fundamental policy regarding its Contingent Term Provision. Accordingly, Target Fund shareholders should evaluate an investment in the Acquiring Fund based on the policies that will be in effect following the Merger, including the elimination of the combined fund's Contingent Term Provision.

Q. Why has Nuveen proposed eliminating the Acquiring Fund's Contingent Term Provision?

A. By voting to eliminate the Contingent Term Provision, shareholders of the Acquiring Fund (including Target Fund shareholders of the combined fund following the Merger) would be foregoing the potential incremental return from receiving the then-current net asset value at liquidation, which may be higher than the market price for the Fund's common shares. In return, shareholders would maintain investment exposure to BABs with above-market purchase yields, which enables a higher proportion of investment performance to be composed of income, as well as avoid potentially large capital gain distributions on the sale of an appreciated portfolio. Nuveen Fund Advisors believes the incremental income from these above-market purchase yields along with the deferral of capital gain distributions over time more than offsets the forgone additional after-tax return from receiving net asset value at termination.

Q. Why does the Acquiring Fund plan to conduct a tender offer?

- A.** If Acquiring Fund shareholders approve the elimination of the Acquiring Fund's Contingent Term Provision, the Acquiring Fund plans to conduct a tender offer to provide its shareholders with an opportunity for liquidity at net asset value (less a customary repurchase fee to cover the expense of conducting the tender offer) on a portion of their investments. If the Merger is approved, this includes former shareholders of the Target Fund who became shareholders of the Acquiring Fund upon the closing of the Merger. In so doing, the Acquiring Fund is seeking to balance the interests of long-term shareholders who wish to preserve the Fund's attractive above-market purchase yields and defer capital gain distributions with the interests of shareholders who had been attracted to the Fund's Contingent Term Provision. The Acquiring Fund expects to announce the tender offer within 60 days, with payment for common shares purchased in the tender offer to take place within 120 days, of the closing of the Merger (if all of the approvals required for the Merger are received), or completion of the shareholder meeting, including any adjournments thereof (if all of the approvals for the Merger are not received but the elimination of the Acquiring Fund's Contingent Term Provision is approved), if the Acquiring Fund's common shares are trading below net asset value (on average) over the 10 trading day period preceding the Fund's announcement of the tender offer. For more information regarding the tender offer, see Proposal No. 1 C. Information About the Merger Post-Merger Tender Offer.

Q. Why has Nuveen proposed a broader taxable municipal investment mandate for the Acquiring Fund?

The proposed elimination of the Contingent Term Provision, combined with the expanded investment mandate, would allow the portfolio managers to retain less liquid, higher yielding securities as well as pursue attractive investment opportunities across the taxable municipal bond market without regard to liquidity at the currently scheduled termination date. Over time, Nuveen Asset Management, LLC (Nuveen Asset Management), the Fund's sub-adviser, believes such flexibility should enhance common share net earnings and distribution potential.

At present, there are approximately \$400 billion of taxable municipal bonds outstanding. Taxable municipal issuance typically averages \$30 billion annually; however, several catalysts are driving increased supply and demand trends. Notably, recent changes to the U.S. tax code have eliminated state and local governments' ability to issue advance refunding bonds on a tax-exempt basis. As a result, taxable municipal bond issuance could increase above historical levels as municipalities pursue alternative financing methods. Furthermore, similar to BABs, taxable municipal bonds have received increased attention from domestic crossover buyers (buyers who typically buy taxable securities but who crossover to the tax-exempt market) and foreign institutional investors given the persistent low global yield environment as well as favorable regulatory relief for infrastructure project bonds. Increased supply of municipal bonds and a more robust market for such bonds provide enhanced opportunities for finding attractive high-yielding taxable municipal bonds.

Q. What are the other potential benefits of the proposed Merger?

- A.** The Merger will eliminate overlapping products by combining two funds that have the same investment adviser, sub-adviser and portfolio managers, the same investment objectives and substantially identical investment policies, risks and, at present, portfolio compositions. Based

on information provided by Nuveen Fund Advisors, the proposed Merger is intended to benefit shareholders in a number of additional ways, including, among other things:

Lower operating expenses per common share for each Fund through economies of scale, which are expected to offset the Merger-related expenses borne by each Fund over time, and may support higher common share net earnings and potentially higher distribution rates over time;

Improved secondary market trading for common shares as a result of the combined fund's greater share volume, which may lead to narrower bid-ask spreads and smaller trade-to-trade price movements and, over time, narrower trading discounts relative to net asset value; and

Increased portfolio and leverage management flexibility due to the larger asset base of the combined fund.

Q. How will the Merger impact fees and operating expenses?

A. Based on information for the six months ending September 30, 2017, the pro forma annualized expense ratio (including the costs of leverage) of the combined fund following the Merger is estimated to be approximately 12 basis points (0.12%) higher than the pre-Merger expense ratio of the Target Fund and six basis points (0.06%) lower than the total expense ratio of the Acquiring Fund. In the Comparative Fee Table, generally accepted accounting principles (GAAP) require Interest Expense on Borrowings to include the leverage expense of inverse floating rate securities of self-deposited tender option bond (TOB) trusts (self-deposited inverse floaters) but do not permit the inclusion of leverage expense of inverse floating rate securities of externally deposited TOB trusts. Because the Target Fund holds a lower percentage of self-deposited inverse floaters than the Acquiring Fund, its leverage expenses under GAAP are lower in the Comparative Fee Table. However, the Funds have historically held similar amounts of overall TOB leverage and the total economic leverage costs of the Acquiring Fund and Target Fund are substantially the same after taking all forms of TOBs into account. The Board considered that the pro forma expense ratio of the Target Fund was estimated to decline following the Merger after taking into account these economic costs.

Based on information for the six months ending September 30, 2017, the pro forma annualized operating expenses per common share (i.e., total expenses excluding leverage costs) of the combined fund following the Merger are estimated to be lower than the operating expenses per common share of each stand-alone Fund because of greater economies of scale due to operating efficiencies and the larger asset base of the combined fund.

These comparisons do not take into account Merger expenses borne by the Funds. See the Comparative Fee Table on page 17 of the enclosed Joint Proxy Statement/Prospectus for more detailed information regarding fees and expenses.

Q. Will shareholders of the Funds have to pay any fees or expenses in connection with the Merger?

A. Yes. Shareholders will indirectly bear the costs of the Merger. The total costs of the Merger are estimated to be approximately \$840,000, and each Fund's allocable share of such costs will be reflected in its net asset value at or before the close of trading on the business day immediately

prior to the closing of the Merger. If the Merger is not consummated for any reason, including because the requisite shareholder approvals are not obtained, each Fund will still bear its allocable share of the costs of the Merger.

Based on estimated total Merger expenses of \$840,000, the estimated allocation of the costs between the Funds is as follows: \$235,000 (0.14%) for the Target Fund and \$605,000 (0.10%) for the Acquiring Fund (all percentages are based on average net assets attributable to common shares for the six-month semi-annual period ended September 30, 2017). The allocation of the costs of the Merger will be based on the relative expected benefits of the proposals during the average holding period of shareholders of each Fund for the trailing 12 months ended September 30, 2017 (21.5 months and 17.0 months for the Target Fund and Acquiring Fund, respectively). The expected benefits of the Merger are described in the response to "What are the other potential benefits of the proposed Merger?" on pages iv-v above.

A shareholder's broker, dealer or other financial intermediary (each, a Financial Intermediary) may impose its own shareholder account fees for processing corporate actions, which could apply as a result of the Merger. These shareholder account fees, if applicable, are not paid or otherwise remitted to the Funds or the Funds' investment adviser. The imposition of such fees is based solely on the terms of a shareholder's account agreement with his, her or its Financial Intermediary and is in the discretion of the Financial Intermediary. Questions concerning any such shareholder account fees or other similar fees should be directed to a shareholder's Financial Intermediary.

Q. How will the Merger impact Fund distributions?

A. As has been the case in prior Nuveen closed-end fund mergers, distribution amounts immediately following the Merger are anticipated to be at least equal to pre-Merger levels on a common share equivalent basis. This is due to a combination of factors, including higher portfolio net yields due to lower operating expenses per common share from greater economies of scale as well as higher common share net earnings per share as the combined fund's net investment income is expected to be spread over a smaller base of net assets attributable to common shares following completion of the Fund's common share tender offer.

Q. What specific proposals will Fund shareholders be asked to vote on?

A. Fund shareholders will be asked to vote on the following proposals, as applicable:

(Target Fund only) The approval of an Agreement and Plan of Merger providing for the Merger of the Target Fund with and into the Acquiring Fund;

(Acquiring Fund only) The issuance of additional common shares in connection with the Merger;

(Acquiring Fund only) The elimination of the current fundamental policy requiring the Acquiring Fund to terminate on or around June 30, 2020 if, for any twenty-four month period ending on or prior to December 31, 2014, there have been no new issuances of Build America Bonds or other taxable municipal securities with interest payments subsidized by the U.S. Government through direct pay subsidies; and

(Each Fund) The election of members of the Fund's Board. (The list of specific nominees for each Fund is contained in the enclosed Joint Proxy Statement/Prospectus.)

Consummation of the Merger is contingent upon approval of the proposal to eliminate the Acquiring Fund's Contingent Term Provision.

Q. Do the Funds have similar investment objectives, policies and risks?

- A.** The Funds currently have the same investment objectives and substantially identical policies and risks and are managed by the same portfolio managers. Each Fund's primary investment objective is to provide current income through investments in taxable municipal securities. As a secondary objective, each Fund seeks to enhance portfolio value and total return. Each Fund currently seeks to achieve its investment objectives by investing primarily in a diversified portfolio of BABs. Under normal circumstances, each Fund will invest at least 80% of its managed assets in BABs. Each Fund may invest up to 20% of its managed assets in securities other than BABs, including taxable municipal securities that do not qualify for federal support, municipal securities the interest income from which is exempt from regular U.S. federal income tax (sometimes referred to as "tax-exempt municipal securities"), U.S. Treasury securities and obligations of the U.S. Government, its agencies and instrumentalities.

Each Fund is a diversified, closed-end management investment company and engages in leverage through bank borrowings and investments in inverse floating rate securities of tender option bond trusts.

At present, each Fund's investment portfolio is being managed in anticipation of the Fund's scheduled termination in 2020. This means that each Fund's investment portfolio is being transitioned over time to hold more liquid, and generally lower yielding, securities to facilitate an orderly liquidation in advance of the applicable termination date. This transitioning of the Funds' investment portfolios would not be necessary if the Funds were perpetual funds. If shareholders of the Acquiring Fund approve the elimination of that Fund's Contingent Term Provision, the need to manage the Acquiring Fund's investment portfolio in anticipation of the termination date will no longer apply, and the Acquiring Fund will be able to invest in less liquid and higher yielding securities to the extent permitted by its current and post-Merger investment policies. These policies are not changing in connection with the proposals. In addition, because BABs are no longer being issued, the Acquiring Fund will change its name to Nuveen Taxable Municipal Income Fund and will adopt a policy of investing at least 80% of its assets in taxable municipal bonds (including, but not limited to, BABs) and will be able to invest up to 20% of its assets in securities other than taxable municipal securities. As a result of these changes, it is expected that the Acquiring Fund will invest to a greater degree in less liquid and higher yielding securities than would be the case if the Fund's Contingent Term Provision were to remain in effect.

See **A. Synopsis** "Comparative Risk Information" and **B. Risk Factors** "General Risks of Investing in the Funds" for more information.

Q. Do the Funds have the same investment adviser and sub-adviser?

- A.** Yes. Nuveen Fund Advisors currently serves as the investment adviser to both the Target Fund and the Acquiring Fund, and Nuveen Asset Management, a wholly owned subsidiary of

Nuveen Fund Advisors, currently serves as the sub-advisor to both the Target Fund and the Acquiring Fund. Nuveen Fund Advisors and Nuveen Asset Management will continue to serve as the investment adviser and sub-adviser, respectively, to the Acquiring Fund following the Merger. In addition, the Funds have the same portfolio managers who will continue to be responsible for the day-to-day management of the Acquiring Fund's investment portfolio following the consummation of the Merger.

Q. As a result of the Merger, will shareholders of the Target Fund receive new shares in exchange for their current shares?

A. Yes. Upon the closing of the Merger, common shares of the Target Fund will convert into newly issued common shares of the Acquiring Fund, with cash being distributed in lieu of fractional common shares, and shareholders of the Target Fund will become shareholders of the Acquiring Fund. The aggregate net asset value, as of the close of trading on the business day immediately prior to the closing of the Merger, of the Acquiring Fund common shares received by Target Fund shareholders (including, for this purpose, fractional Acquiring Fund common shares to which shareholders would be entitled) will be equal to the aggregate net asset value of the common shares of the Target Fund held by its shareholders as of such time. Fractional shares to which Target Fund shareholders would be entitled will be aggregated and sold on the open market, and Target Fund shareholders will receive cash in lieu of such fractional shares.

Shareholders of the Acquiring Fund will remain shareholders of the Acquiring Fund following the Merger. As a result of the Merger, including the issuance of additional common shares by the Acquiring Fund in connection with the Merger, shareholders of each Fund will hold a smaller percentage of the outstanding common shares of the combined fund than they held in the Acquiring Fund or Target Fund individually.

Q. Does the Merger constitute a taxable event for Target Fund shareholders?

A. No. The merger of the Target Fund with and into a wholly-owned subsidiary of the Acquiring Fund, which is the legal means by which the combination of the Funds will be effected, is intended to qualify as a tax-free reorganization for federal income tax purposes. It is expected that Target Fund shareholders will recognize no gain or loss for federal income tax purposes as a direct result of the Merger, except to the extent that a Target Fund shareholder receives cash in lieu of a fractional Acquiring Fund common share.

Q. Is any other tax impact anticipated as a result of the proposals?

A. Prior to the closing of the Merger, the Target Fund expects to declare a distribution of all of its net investment income and net capital gains, if any. All or a portion of such distribution may be taxable to the Target Fund's shareholders for federal income tax purposes. To the extent that portfolio securities of the Target Fund are sold prior to the closing of the Merger, the Target Fund may recognize gains or losses, which may increase or decrease the net capital gains or net investment income to be distributed by the Target Fund. Any amounts distributed by the Target Fund as a result of such sales may be taxable to Target Fund shareholders who receive the distribution. However, because the Target Fund's current portfolio composition is substantially identical to that of the Acquiring Fund, it is not currently expected that any significant portfolio sales will occur solely in connection with the Merger.

In addition, to pay for common shares purchased in the Acquiring Fund's tender offer following the elimination of its Contingent Term Provision, the Acquiring Fund will be required to sell a portion of its portfolio investments. The Acquiring Fund currently has significant capital loss carryforwards. If, at the time of such sale, the Acquiring Fund's portfolio investments being sold have appreciated in value and the realized gains from such sale were to exceed the amount of the Acquiring Fund's available capital loss carryforwards, the sale would result in realization of capital gains or investment income that may then need to be distributed to Acquiring Fund shareholders. In such event, which Nuveen Fund Advisors believes to be unlikely, this may result in U.S. federal income tax liability for persons who remain Acquiring Fund shareholders following the completion of the tender offer. See Proposal No. 1 C. Information About the Merger Post-Merger Tender Offer for more information.

Q. What will happen if the required shareholder approvals are not obtained?

- A.** The closing of the Merger is subject to the satisfaction or waiver of certain closing conditions, which include customary closing conditions. Both the Target Fund's and Acquiring Fund's shareholders are voting on items whose approval is necessary for the Merger to go forward. Additionally, the closing of the Merger is contingent on shareholders of the Acquiring Fund approving the elimination of the Acquiring Fund's Contingent Term Provision. (See Proposal No. 3 Approval of Elimination of Fundamental Policy of the Acquiring Fund.) Because the closing of the Merger is contingent upon each of the Target Fund and the Acquiring Fund obtaining the requisite shareholder approvals with respect to the Merger and satisfying (or obtaining the waiver of) other closing conditions, it is possible that the Merger will not occur, even if Target Fund shareholders entitled to vote on the Merger proposal approve such proposal and the Target Fund satisfies all of its closing conditions, if the Acquiring Fund does not obtain the requisite shareholder approvals or satisfy (or obtain the waiver of) its closing conditions. If the Merger is not consummated, the Target Fund's Board may take such actions as it deems in the best interests of the Fund, including continuing to operate the Target Fund as a stand-alone fund through its termination date or seeking shareholder approval to eliminate its Contingent Term Provision at a subsequent meeting. If Proposal No. 3 is approved by shareholders of the Acquiring Fund, the Acquiring Fund's Contingent Term Provision will be eliminated, regardless of whether or not the Merger is completed.

If the Acquiring Fund's Contingent Term Provision is not eliminated, the Merger, tender offer, non-fundamental investment policy changes and name change will not occur and the Acquiring Fund will continue to operate under its current name and investment policies until it terminates on or around June 30, 2020, and the Target Fund will continue to operate until it terminates on or around December 31, 2020.

Q. What is the timetable for the Merger?

- A.** If shareholder approvals and other conditions to closing are satisfied (or waived), the Merger is expected to take effect on or about August 6, 2018, or as soon as practicable thereafter.

Q. How does each Fund's Board recommend that shareholders vote on the Merger?

- A.** After careful consideration, each Fund's Board has determined that the Merger is in the best interests of its Fund and recommends that you vote FOR your Fund's proposals.

General

Q. Who do I call if I have questions?

A. If you need any assistance, or have any questions regarding the proposal or how to vote your shares, please call Computershare Fund Services, the proxy solicitor hired by your Fund, at 866-963-5818 weekdays during its business hours of 9:00 a.m. to 11:00 p.m. and Saturdays 12:00 p.m. to 6:00 p.m. Eastern time. Please have your proxy materials available when you call.

Q. How do I vote my shares?

A. You may vote over the Internet, by mail or telephone or in person by attending your Fund's Annual Meeting:

To vote over the Internet, go to the Internet address provided on your proxy card and follow the instructions, using your proxy card as a guide.

To vote by telephone, please call the toll-free number located on your proxy card and follow the recorded instructions, using your proxy card as a guide.

To vote by mail, please mark, sign, date and mail the enclosed proxy card. No postage is required if mailed in the United States.

To vote in person, if you own shares directly with your Fund, you may attend your Fund's annual meeting and vote in person, or you may execute a proxy designating a representative to attend the annual meeting and vote on your behalf. If you own shares in street name through a broker or nominee, you may attend your Fund's annual meeting and vote in person only if you obtain a proxy from your broker or nominee in advance of the annual meeting and bring it with you to hand in along with the ballot that will be provided. The date, time and location of your Fund's annual meeting is set forth on the enclosed notice of meeting for your Fund.

Q. Will anyone contact me?

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

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

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

[], 2018

NUVEEN BUILD AMERICA BOND OPPORTUNITY FUND (NBD)

AND

NUVEEN BUILD AMERICA BOND FUND (NBB)

(EACH, A FUND AND COLLECTIVELY, THE FUNDS)

NOTICE OF 2018 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 21, 2018

To the Shareholders:

Notice is hereby given that the 2018 Annual Meeting of Shareholders (the Annual Meeting) of Nuveen Build America Bond Opportunity Fund (the Target Fund) and Nuveen Build America Bond Fund (the Acquiring Fund) will be held at the offices of Nuveen, 333 West Wacker Drive, Chicago, Illinois 60606, on Thursday, June 21, 2018, at 2:00 p.m. Central time, for the following purposes:

Agreement and Plan of Merger. The shareholders of the Target Fund will vote on a proposal to approve an Agreement and Plan of Merger under which the combination of the Target Fund and Acquiring Fund will be effected by the merger of the Target Fund with and into NTMIF Merger Sub, LLC (the Merger Sub), a Massachusetts limited liability company and wholly-owned subsidiary of the Acquiring Fund, with shares of the Target Fund being converted into newly issued common shares of the Acquiring Fund (with cash being distributed in lieu of fractional common shares).

Approval of Issuance of Additional Shares by the Acquiring Fund. In connection with the Agreement and Plan of Merger, the shareholders of the Acquiring Fund will vote to approve the issuance of additional common shares of the Acquiring Fund in the Merger.

Approval of Elimination of Fundamental Policy. The shareholders of the Acquiring Fund will vote on a proposal to eliminate the current fundamental policy requiring the Acquiring Fund to terminate on or around June 30, 2020 if, for any twenty-four month period ending on or prior to December 31, 2014, there have been no new issuances of Build America Bonds or other taxable municipal securities with interest payments subsidized by the U.S. Government through direct pay subsidies.

Election of Board Members for each Fund. Four (4) Class III Board Members are to be elected by shareholders of each Fund. Board members Cook, Evans, Moschner and Schneider are nominees for election by shareholders.

To transact such other business as may properly come before the Annual Meeting.

Shareholders of the Target Fund are being solicited to vote on the election of four (4) Board Members at the Annual Meeting so that the Fund may continue to be governed by its current Board Members, and avoid vacancies on the Board, in the event the Merger is not consummated in a timely manner.

Only shareholders of record of each Fund as of the close of business on March 29, 2018 are entitled to notice of and to vote at the Annual Meeting and any and all adjournments or postponements thereof.

All shareholders are cordially invited to attend the Annual Meeting. In order to avoid delay and additional expense for the Fund and to assure that your shares are represented, please vote as promptly as possible, regardless of whether you plan to attend the Annual Meeting. You may vote by mail, by telephone or over the Internet. To vote by mail, please mark, sign, date and mail the enclosed proxy card. No postage is required if mailed in the United States. To vote by telephone, please call the toll-free number located on your proxy card and follow the recorded instructions, using your proxy card as a guide. To vote over the Internet, go to the Internet address provided on your proxy card and follow the instructions, using your proxy card as a guide.

If you intend to attend the Annual Meeting in person and you are a record holder of a Fund's shares, in order to gain admission you must show photographic identification, such as your driver's license. If you intend to attend the Annual Meeting in person and you hold your shares through a bank, broker or other custodian, in order to gain admission you must show photographic identification, such as your driver's license, and satisfactory proof of ownership of shares of a Fund, such as your voting instruction form (or a copy thereof) or broker's statement indicating ownership as of a recent date. If you hold your shares in a brokerage account or through a bank or other nominee, you will not be able to vote in person at the Annual Meeting unless you have previously requested and obtained a legal proxy from your broker, bank or other nominee and present it at the Annual Meeting.

Gifford R. Zimmerman

Vice President and Secretary

The Nuveen Closed-End Funds

The information contained in this Joint Proxy Statement/Prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This Joint Proxy Statement/Prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities, in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION

DATED May 4, 2018

NUVEEN FUNDS

333 WEST WACKER DRIVE

CHICAGO, ILLINOIS 60606

(800) 257-8787

JOINT PROXY STATEMENT/PROSPECTUS

NUVEEN BUILD AMERICA BOND OPPORTUNITY FUND (NBD)

AND

NUVEEN BUILD AMERICA BOND FUND (NBB)

(EACH, A FUND AND COLLECTIVELY, THE FUNDS)

[], 2018

This Joint Proxy Statement/Prospectus is being furnished to shareholders of Nuveen Build America Bond Opportunity Fund (the Target Fund or a Fund) and shareholders of Nuveen Build America Bond Fund (the Acquiring Fund or a Fund), each, a diversified, closed-end management investment company, in connection with the solicitation of proxies by each Fund's Board of Trustees (each, a Board and each trustee, a Board Member) for use at each Fund's 2018 Annual Meeting of Shareholders to be held at the offices of Nuveen, LLC (Nuveen), 333 West Wacker Drive, Chicago, Illinois 60606, on Thursday, June 21, 2018, at 2:00 p.m. Central time, and at any and all adjournments or postponements thereof (each, an Annual Meeting and collectively, the Annual Meetings), to consider the proposals listed below, as applicable, and discussed in greater detail elsewhere in this Joint Proxy Statement/Prospectus. The Funds are organized as Massachusetts business trusts. The enclosed proxy card and this Joint Proxy Statement/Prospectus are first being sent to shareholders of the Funds on or about [], 2018. For each Fund, shareholders of record as of the close of business on March 29, 2018 are entitled to notice of and to vote at the Fund's Annual Meeting and any and all adjournments or postponements thereof.

This Joint Proxy Statement/Prospectus explains concisely what you should know before voting on the proposals described in this Joint Proxy Statement/Prospectus or investing in the Acquiring Fund. Please read it carefully and keep it for future reference.

The securities offered by this Joint Proxy Statement/Prospectus have not been approved or disapproved by the Securities and Exchange Commission (SEC), nor has the SEC passed upon the accuracy or adequacy of this Joint Proxy Statement/Prospectus. Any representation to the contrary is a criminal offense.

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On the matters coming before each Fund's Annual Meeting as to which a choice has been specified by shareholders on the accompanying proxy card, the shares will be voted accordingly where such proxy card is properly executed, timely received and not properly revoked (pursuant to the instructions below). If a proxy is returned and no choice is specified, the shares will be voted FOR the proposal(s). Shareholders of a Fund who execute proxies or provide voting instructions by telephone or by Internet may revoke them at any time before a vote is taken on a proposal by filing with that Fund a written notice of revocation, by delivering a duly executed proxy bearing a later date or by attending the Fund's Annual Meeting and voting in person. A prior proxy can also be revoked by voting again through the toll-free number or the Internet address listed in the proxy card. However, merely attending an Annual Meeting will not revoke any previously submitted proxy.

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

The proposed Merger (as defined below) and fundamental policy proposals are part of an initiative to offer long-term shareholders of Nuveen's two Build America Bond closed-end funds the opportunity to maintain their investment exposure to scarce BABs with above-market purchase yields relative to current taxable municipal bond yields, while deferring potentially sizeable taxable capital gains. As part of this initiative, the Board of the Acquiring Fund also has approved: (i) the adoption of certain changes to the Acquiring Fund's non-fundamental investment policies to implement a broader taxable municipal bond investment mandate that over time is intended to promote increased diversification of credit and total return opportunities by investing at least 80% of its assets in taxable municipal securities; (ii) the removal of the Acquiring Fund's Contingent Term Provision (as defined below), which will have the effect of converting the Acquiring Fund from a term structure to a perpetual structure; (iii) a tender offer of up to 20% of the shares of the Acquiring Fund (including shares held by Target Fund shareholders as shareholders of the combined fund upon the closing of the Merger) following the elimination of the Contingent Term Provision; and (iv) changing the name of the Acquiring Fund to Nuveen Taxable Municipal Income Fund.

Certain matters are subject to shareholder approval. The matters on which shareholders will vote are summarized below.

Merger Proposals

- Proposal No. 1. (Target Fund only) To approve the Agreement and Plan of Merger.
- Proposal No. 2. (Acquiring Fund only) To approve the issuance of additional common shares in connection with the Merger pursuant to the Agreement and Plan of Merger.

Elimination of Fundamental Policy Proposal

- Proposal No. 3. (Acquiring Fund only) To approve the elimination of the current fundamental policy related to the Fund's Contingent Term Provision.

Board Member Election Proposals

- Proposal No. 4. (Each Fund) To elect four (4) Class III Board Members.

Shareholders of the Target Fund are being solicited to vote on the election of four (4) Board Members at the Annual Meeting so that the Target Fund may continue to be governed by its current Board Members, and avoid vacancies on the Board, in the event the Merger is not consummated in a timely manner.

A quorum of shareholders is required to take action at each Annual Meeting. A majority (more than 50%) of the shares entitled to vote at each Annual Meeting, represented in person or by proxy, will constitute a quorum of shareholders at that Annual Meeting. Votes cast in person or by proxy at each Annual Meeting will be tabulated by the inspectors of election appointed for that Annual Meeting. Broker non-votes are shares held by a broker or nominee for which the broker or nominee returns a valid proxy but are not voted because instructions have not been received from beneficial owners or persons entitled to vote and the broker or nominee does not have discretionary authority to

vote such shares. For purposes of voting on a proposal, abstentions and broker non-votes will be counted as present for purposes of determining whether a quorum is present. The effects of abstentions and broker non-votes on the various proposals presented in this Joint Proxy Statement/Prospectus are set forth below. Abstentions and broker-non votes will have no effect on the outcome of any vote on the adjournment of an Annual Meeting.

With respect to each proposal, the voting requirements and effect of abstentions and broker non-votes pursuant to each Fund's Declaration of Trust, by-laws and applicable law are as follows:

- Proposal No. 1. Proposal No. 1, the Target Fund's Merger proposal, is required to be approved by the affirmative vote of the holders of a majority (more than 50%) of the Target Fund's outstanding common shares entitled to vote on the proposal. Because the approval of Proposal No. 1 requires that a minimum percentage of the Target Fund's outstanding common shares be voted in favor of the proposal, abstentions and broker non-votes will have the same effect as a vote against this proposal.
- Proposal No. 2. Proposal No. 2, the Acquiring Fund's Merger proposal, is required to be approved by the affirmative vote of a majority (more than 50%) of the votes cast by the Acquiring Fund's common shareholders on the proposal, provided a quorum is present. Because the approval of Proposal No. 2 does not require that a minimum percentage of the Acquiring Fund's outstanding common shares be voted in favor of the proposal, assuming the presence of a quorum, abstentions and broker non-votes will have no effect on the outcome of the vote on this proposal.
- Proposal No. 3. Proposal No. 3, the Acquiring Fund's Elimination of Fundamental Policy proposal, is required to be approved by the affirmative vote of the holders of a majority of the outstanding voting securities of the Acquiring Fund as is defined in the Investment Company Act of 1940, as amended (the "1940 Act"). For this purpose, a majority of the outstanding voting securities means the vote of (1) 67% or more of the Acquiring Fund's common shares present at a meeting, if the holders of more than 50% of the Acquiring Fund's outstanding common shares are present or represented by proxy; or (2) more than 50% of the Acquiring Fund's common shares, whichever is less. Because the approval of Proposal No. 3 requires that a minimum percentage of the Acquiring Fund's outstanding common shares be voted in favor of the proposal, abstentions and broker non-votes will have the same effect as a vote against this proposal.
- Proposal No. 4. With respect to Proposal No. 4, the Election of Board Members proposals, the affirmative vote of a plurality (the greatest number of affirmative votes) of a Fund's common shares present and entitled to vote on the proposal will be required to elect the Board Members of the Fund. When there are four (4) nominees for election to the Board, as is the case here, a vote by plurality means the four nominees with the highest number of affirmative votes, regardless of the votes withheld for the nominees, will be elected. Because the election of Board Members does not require that a minimum percentage of a Fund's outstanding common shares be voted in favor of any nominee, assuming the presence of a quorum, abstentions and broker non-votes will have no effect on the outcome of the vote on this proposal.

Under the terms of the Agreement and Plan of Merger, the closing of the Merger is subject to the satisfaction or waiver of the following closing conditions, among others: (1) the requisite approval by the shareholders of each Fund of the applicable proposal with respect to the Merger in this Joint Proxy Statement/Prospectus, (2) shareholders of the Acquiring Fund approving the elimination of the Acquiring Fund's Contingent Term Provision, (3) each Fund's receipt of an opinion substantially to the effect that the merger of the Target Fund with and into a wholly-owned Subsidiary of the Acquiring

Fund will qualify as a reorganization under the Code (see C. Information About the Merger Material Federal Income Tax Consequences of the Merger), (4) the absence of legal proceedings challenging the Merger, and (5) the Funds' receipt of certain customary certificates and legal opinions.

Broker-dealer firms holding shares of a Fund in street name for the benefit of their customers and clients will request the instructions of such customers and clients on how to vote their shares before the Fund's Annual Meeting. The Funds understand that, under the rules of the New York Stock Exchange (the NYSE), such broker-dealer firms may, for certain routine matters, grant discretionary authority to the proxies designated by each Board to vote without instructions from their customers and clients if no instructions have been received prior to the date specified in the broker-dealer firm's request for voting instructions. Proposal No. 4 is a routine matter, and beneficial owners who do not provide proxy instructions or who do not return a proxy card may have their shares voted by broker-dealer firms on Proposal No. 4 in the discretion of such broker-dealer firms. Proposal Nos. 1, 2 and 3 are non-routine matters for which, under the rules of the NYSE, uninstructed shares may not be voted by broker-dealers.

Broker-dealers who are not members of the NYSE may be subject to other rules, which may or may not permit them to vote your shares without instruction. We urge you to provide instructions to your broker or nominee so that your votes may be counted.

For both the Target Fund and the Acquiring Fund, those persons who were shareholders of record as of the close of business on March 29, 2018 will be entitled to one vote for each common share held and a proportionate fractional vote for each fractional common share held.

As of March 29, 2018, the shares of the Funds issued and outstanding are as follows:

Fund (Ticker Symbol)	Common Shares ⁽¹⁾
Target Fund (NBD)	7,205,250
Acquiring Fund (NBB)	26,461,985

(1) The common shares of the Target Fund and Acquiring Fund are listed on the NYSE. Upon the closing of the Merger, it is expected that the common shares of the Acquiring Fund will continue to be listed on the NYSE.

The following documents have been filed with the SEC and are incorporated into this Joint Proxy Statement/Prospectus by reference:

- (1) the Statement of Additional Information relating to the proposed Merger, dated [], 2018 (the Merger SAI);
- (2) the audited financial statements and related independent registered public accounting firm's report for the Acquiring Fund and the financial highlights for the Acquiring Fund contained in the Acquiring Fund's Annual Report for the fiscal year ended March 31, 2017 (File No. 811-22391);
- (3) the unaudited financial statements for the Acquiring Fund contained in the Acquiring Fund's Semi-Annual Report for the fiscal period ended September 30, 2017 (File No. 811-22391);
- (4) the audited financial statements and related independent registered public accounting firm's report for the Target Fund and the financial highlights for the Target Fund

contained in the Target Fund's Annual Report for the fiscal year ended March 31, 2017 (File No. 811-22425); and

- (5) the unaudited financial statements for the Target Fund contained in the Target Fund's Semi-Annual Report for the fiscal period ended September 30, 2017 (File No. 811-22425).

No other parts of the Funds' Annual or Semi-Annual Reports are incorporated by reference herein.

Copies of the foregoing may be obtained without charge by calling (800) 257-8787 or writing the Funds at 333 West Wacker Drive, Chicago, Illinois 60606. If you wish to request a copy of the Merger SAI, please ask for the Merger SAI. In addition, each Fund will furnish, without charge, a copy of its most recent Annual Report or Semi-Annual Report to a shareholder upon request. Any such request should be directed to the applicable Fund by calling (800) 257-8787 or by writing the applicable Fund at 333 West Wacker Drive, Chicago, Illinois 60606.

The Funds are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and the 1940 Act, and in accordance therewith file reports and other information with the SEC. Reports, proxy statements, registration statements and other information filed by the Funds, including the Registration Statement on Form N-14 relating to the common shares of the Acquiring Fund of which this Joint Proxy Statement/Prospectus is a part, may be inspected without charge and copied (for a duplication fee at prescribed rates) at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549 or at the SEC's New York Regional Office (Brookfield Place, 200 Vesey Street, Suite 400, New York, New York 10281) or Chicago Regional Office (175 West Jackson Boulevard, Suite 900, Chicago, Illinois 60604). You may call the SEC at (202) 551-8090 for information about the operation of the public reference room. You may obtain copies of this information, with payment of a duplication fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing the SEC's Public Reference Branch, Office of Consumer Affairs and Information Services, Securities and Exchange Commission, Washington, D.C. 20549. You may also access reports and other information about the Funds on the EDGAR database on the SEC's Internet site at <http://www.sec.gov>.

The common shares of the Target Fund and the Acquiring Fund are listed on the NYSE. Upon the closing of the Merger, it is expected that the common shares of the Acquiring Fund will continue to be listed on the NYSE. Reports, proxy statements and other information concerning the Funds can be inspected at the offices of the NYSE, 11 Wall Street, New York, New York 10005.

This Joint Proxy Statement/Prospectus serves as a prospectus of the Acquiring Fund in connection with the issuance of the Acquiring Fund common shares in connection with the Merger. In this connection, no person has been authorized to give any information or make any representation not contained in this Joint Proxy Statement/Prospectus and, if so given or made, such information or representation must not be relied upon as having been authorized. This Joint Proxy Statement/Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction in which, or to any person to whom, it is unlawful to make such offer or solicitation.

JOINT PROXY STATEMENT/PROSPECTUS

[], 2018

NUVEEN BUILD AMERICA BOND OPPORTUNITY FUND (NBD) AND

NUVEEN BUILD AMERICA BOND FUND (NBB)

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PROPOSAL NO. 1 MERGER OF THE TARGET FUND WITH AND INTO A WHOLLY-OWNED SUBSIDIARY OF THE ACQUIRING FUND

(SHAREHOLDERS OF THE TARGET FUND ONLY)

A. SYNOPSIS

The following is a summary of certain information contained elsewhere in this Joint Proxy Statement/Prospectus with respect to the proposed combination of the Target Fund and the Acquiring Fund, to be effected by the merger (the Merger) of the Target Fund with and into NTMIF Merger Sub, LLC (the Merger Sub), a Massachusetts limited liability company and wholly-owned subsidiary of the Acquiring Fund, with shares of the Target Fund being converted into newly issued common shares of the Acquiring Fund (with cash being distributed in lieu of fractional common shares). More complete information is contained elsewhere in this Joint Proxy Statement/Prospectus and in the Merger SAI and the appendices hereto and thereto. Shareholders should read the entire Joint Proxy Statement/Prospectus carefully.

Background and Reasons for the Merger

The Board of each Fund has determined that the Merger is in the best interests of the Target Fund and Acquiring Fund, respectively. Each Fund's Board considered the Merger as part of an ongoing initiative to rationalize the product offerings of Nuveen funds and eliminate overlapping products. The Merger will eliminate overlapping products by combining two funds that have the same investment adviser, sub-adviser and portfolio managers, the same investment objectives and substantially identical investment policies, risks and, at present, portfolio compositions. As more fully described below, the Merger is intended to benefit shareholders in a number of ways, including continued exposure to each Fund's portfolio of scarce BABs with above-market purchase yields relative to current taxable municipal bond yields and avoidance of potentially sizeable taxable capital gain distributions that may result if the Funds are terminated in accordance with their current policies. The proposed elimination of the term structure of the Acquiring Fund, combined with an expanded investment mandate, would allow the portfolio managers to retain less liquid, higher yielding securities as well as pursue attractive investment opportunities across the taxable municipal bond market without regard to liquidity at the termination date. Over time, Nuveen Fund Advisors believes such flexibility should enhance common share net earnings and distribution potential.

Based on information provided by Nuveen Fund Advisors, LLC (Nuveen Fund Advisors or the Adviser), the investment adviser to each Fund, the Merger is intended to benefit Fund shareholders in a number of ways, including, among other things:

Lower operating expenses per common share for each Fund through economies of scale, which are expected to offset the Merger-related expenses borne by each Fund over time, and may support higher common share net earnings and potentially higher distribution rates over time;

Improved secondary market trading for common shares as a result of the combined fund's greater share volume, which may lead to narrower bid-ask spreads and smaller trade-to-trade price movements and, over time, narrower trading discounts relative to net asset value; and

Increased portfolio and leverage management flexibility due to the larger asset base of the combined fund.

In order for the Merger to occur, all closing conditions must be satisfied or waived. The closing of the Merger is conditioned on, among other things, each Fund obtaining the requisite shareholder approval of the Merger proposals (Proposal Nos. 1 and 2) and Acquiring Fund shareholders approving the elimination of the Acquiring Fund's Contingent Term Provision (Proposal No. 3). Because the closing of the Merger is contingent upon each of the Target Fund and the Acquiring Fund obtaining such shareholder approvals and satisfying (or obtaining the waiver of) other closing conditions, it is possible that the Merger will not occur, even if Target Fund shareholders entitled to vote on the Merger proposal approve such proposal and the Target Fund satisfies all of its closing conditions, if the Acquiring Fund does not obtain the requisite shareholder approvals or satisfy (or obtain the waiver of) its closing conditions. If the Merger is not consummated, each Fund's Board may take such actions as it deems in the best interests of its Fund, including continuing to operate the Fund as a stand-alone fund through its termination date or seeking shareholder approval to eliminate its Contingent Term Provision at a subsequent meeting, as applicable. For a fuller discussion of the Target Fund Board's considerations regarding the approval of the Merger, see C. Information About the Merger Reasons for the Merger Considerations of the Funds' Boards.

The Board has authorized the Acquiring Fund to conduct a tender offer following the elimination of the Acquiring Fund's Contingent Term Provision pursuant to which the Fund will offer to purchase up to 20% of its then outstanding common shares at a price per share, without interest, equal to the net asset value per share of its common shares as determined as of the close of regular trading on the NYSE on the expiration date of the tender offer, less a repurchase fee attributable to the direct costs of the tender offer. The tender offer has been authorized only if the Acquiring Fund's Contingent Term Provision is eliminated. For more information regarding the tender offer, see C. Information About the Merger Post-Merger Tender Offer.

Material Federal Income Tax Consequences of the Merger

As a condition to closing, each Fund will receive an opinion of Vedder Price P.C., subject to certain representations, assumptions and conditions, substantially to the effect that the proposed Merger will qualify as a tax-free reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code). Accordingly, the Target Fund is not expected to recognize gain or loss for federal income tax purposes as a direct result of the Merger. The Acquiring Fund and the Merger Sub are not expected to recognize gain or loss for federal income tax purposes as a direct result of the Merger or the liquidation of the Merger Sub. It is also expected that shareholders of the Target Fund whose Target Fund common shares are converted into Acquiring Fund common shares pursuant to the Merger will recognize no gain or loss for federal income tax purposes as a result of such conversion except to the extent that a Target Fund shareholder receives cash in lieu of a fractional Acquiring Fund common share. Prior to the closing of the Merger, the Target Fund expects to declare a distribution of all of its net investment income and net capital gains, if any. All or a portion of such distribution may be taxable to the Target Fund's shareholders for federal income tax purposes. To the extent that portfolio securities of the Target Fund are sold prior to the closing of the Merger, the Target Fund may recognize gains or losses, which may increase or decrease the net capital gains or net investment income to be distributed by the Target Fund. Any amounts distributed by the Target Fund as a result of such sales may be taxable to Target Fund shareholders who receive the distribution. However, because the Target Fund's current portfolio composition is substantially identical to that of the Acquiring Fund, it is not currently expected that any significant portfolio sales will occur solely in connection with the Merger. See C. Information About the Merger Material Federal Income Tax Consequences of the Merger.

In addition, to pay for common shares purchased in the Acquiring Fund's tender offer following the elimination of its Contingent Term Provision, the Acquiring Fund will be required to sell a portion of its portfolio investments. The Acquiring Fund currently has significant capital loss carryforwards. If, at the time of such sale, the Acquiring Fund's portfolio investments have appreciated in value and the realized gains from such sale were to exceed the amount of the Acquiring Fund's available capital loss carryforwards, the sale would result in realization of capital gains or investment income that may then need to be distributed to Acquiring Fund shareholders. In such event, which Nuveen Fund Advisors believes to be unlikely, this may result in U.S. federal income tax liability for persons who remain Acquiring Fund shareholders following the completion of the tender offer. See C. Information About the Merger Post-Merger Tender Offer.

Comparison of the Target Fund and the Acquiring Fund

General. The Target Fund and the Acquiring Fund are diversified, closed-end management investment companies. Set forth below is certain comparative information about the organization, capitalization and operation of each Fund.

Fund	Organization		Organization Date	State of Organization	Entity Type
	Authorized Common Shares	Common Shares Outstanding ⁽¹⁾			
Target Fund	unlimited	7,205,250	June 4, 2010	Massachusetts	business trust
Acquiring Fund	unlimited	26,461,985	December 4, 2009	Massachusetts	business trust

Fund	Capitalization		Shares		Exchange on which Shares are Listed	Authorized Preferred Shares	Preferred Shares Outstanding
	Authorized Common Shares	Common Shares Outstanding ⁽¹⁾	Par Value Per Common Share	Preemptive, Conversion or Exchange Rights			
Target Fund	unlimited	7,205,250	\$0.01	none	NYSE	unlimited	none
Acquiring Fund	unlimited	26,461,985	\$0.01	none	NYSE	unlimited	none

(1) As of March 29, 2018.

Each Fund's common shares are listed for trading on the NYSE, where such shares may be purchased and sold through broker-dealers at prevailing market prices, which may be greater than (premium) or less than (discount) net asset value. As closed-end investment companies, the common shares of the Funds are not redeemable.

The Funds also have similar dividend policies with respect to the payment of dividends on their common shares. See C. Information About the Merger Description of Common Shares to Be Issued by the Acquiring Fund; Comparison to Target Fund Distributions.

Investment Objectives and Policies. The Funds have the same investment objectives and substantially identical investment policies and risks. Each Fund's primary investment objective is to provide current income through investments in taxable municipal securities. As a secondary objective, each Fund seeks to enhance portfolio value and total return. Each Fund currently seeks to achieve its investment objectives by investing primarily in a diversified portfolio of taxable municipal securities known as Build America Bonds (or BABs). Each Fund also currently has a Contingent Term Provision (as defined below).

The Board of the Acquiring Fund has approved the following changes to the policies of the Acquiring Fund: (1) subject to shareholder approval, eliminating the Contingent Term Provision; (2) changing the name of the Fund to Nuveen Taxable Municipal Income Fund ; and (3) changing the Fund's policy of investing at least 80% of its Managed Assets in BABs to a policy of investing at least 80% of its Assets in taxable municipal bonds. If the Merger is consummated, these changes will take effect as of the closing date or as soon as practicable thereafter. Otherwise, these changes will take effect upon completion of the shareholder meeting, including any adjournments thereof.

Each Fund is diversified for purposes of the 1940 Act. Consequently, as to 75% of its assets, a Fund may not invest more than 5% of its total assets in the securities of any single issuer (and in not more than 10% of the outstanding voting securities of an issuer), except that this limitation does not apply to cash, securities of the U.S. Government, its agencies and instrumentalities, and securities of other investment companies.

At present, each Fund's investment portfolio is being managed in anticipation of the Fund's scheduled termination in 2020. This means that each Fund's investment portfolio is being transitioned over time to hold more liquid, and generally lower yielding, securities to facilitate an orderly liquidation in advance of the applicable termination date. This transitioning of the Funds' investment portfolios would not be necessary if the Funds were perpetual funds. If shareholders of the Acquiring Fund approve the elimination of that Fund's Contingent Term Provision, the need to manage the Acquiring Fund's investment portfolio in anticipation of the termination date will no longer apply, and the Acquiring Fund will be able to invest in less liquid and higher yielding securities to the extent permitted by its current and post-Merger investment policies. These policies are not changing in connection with the proposals.

The following summary compares the current principal investment policies and strategies of the Acquiring Fund to the (i) current principal investment policies and strategies of the Target Fund and (ii) principal investment policies and strategies of the Acquiring Fund following the adoption of certain non-fundamental investment policies. *Assets* means net assets of a Fund plus the amount of any borrowings for investment purposes. *Managed Assets* means the total assets of a Fund, minus the sum of its accrued liabilities (other than Fund liabilities incurred for the express purpose of creating leverage). Total assets for this purpose includes assets attributable to a Fund's use of effective leverage (whether or not those assets are reflected in the Fund's financial statements for purposes of generally accepted accounting principles), such as, but not limited to, the portion of assets in special purpose trusts of which the Fund owns the inverse floater certificates that has been effectively financed by the trust's issuance of floating rate certificates.

Current Policies: Target Fund and Acquiring Fund	Post-Merger Policies: Nuveen Taxable Municipal Income Fund⁽¹⁾	Differences Between Current and Post-Merger Policies
<p><i>Principal Investments:</i></p> <p>Under normal circumstances, the Fund will invest at least 80% of its Managed Assets in BABs. The Fund may invest up to 20% of its Managed Assets in securities other than BABs, including taxable municipal securities that do not qualify for federal support, municipal securities the interest income from which is exempt from</p>	<p><i>Principal Investments:</i></p> <p>Under normal circumstances, the Fund will invest at least 80% of its Assets in taxable municipal securities. The Fund may invest up to 20% of its Assets in securities other than taxable municipal securities, including municipal securities the interest income from which is exempt from regular federal income tax</p>	<p>The combined fund will have an investment mandate of investing at least 80% of its Assets in any type of taxable municipal security, while each Fund currently invests at least 80% of Managed Assets in BABs, one type of taxable municipal securities. Unlike investments in most other taxable municipal securities, investments</p>

Current Policies: Target Fund and Acquiring Fund

regular federal income tax (sometimes referred to as tax-exempt municipal securities), U.S. Treasury securities and obligations of the U.S. Government, its agencies and instrumentalities. The Fund may purchase BABs (including for purposes of the 80% test) and other municipal securities (taxable or tax-exempt) in the form of bonds, notes, leases or certificates of participation; structured as callable or non-callable; with payment forms that include fixed-coupon, variable rate, zero coupon, capital appreciation bonds, floating rate securities, inverse floating rate securities and other derivative instruments that replicate investment exposure to BABs or other municipal securities. Such BABs and other municipal securities may be acquired through investments in pooled vehicles, partnerships or other investment companies. The Fund may also purchase BABs and other municipal securities representing a wide range of sectors and purposes.

Credit Quality:

Under normal circumstances, the Fund will invest at least 80% of its Managed Assets in securities that at the time of investment are investment grade quality. A security is considered investment grade quality if it is rated within the four highest letter grades (BBB or Baa or better) by at least one of the nationally recognized statistical rating organizations (NRSROs) that rate such security (even if it is rated lower by another), or if it is unrated by any NRSRO but judged to be of comparable quality by Nuveen Asset Management. Under normal circumstances, the Fund may invest up to 20% of its

Post-Merger Policies: Nuveen Taxable Municipal Income Fund⁽¹⁾

(sometimes referred to as tax-exempt municipal securities), U.S. Treasury securities and obligations of the U.S. Government, its agencies and instrumentalities. The Fund may purchase taxable municipal securities (including for purposes of the 80% test) and other tax-exempt municipal securities in the form of bonds, notes, leases or certificates of participation; structured as callable or non-callable; with payment forms that include fixed-coupon, variable rate, zero coupon, capital appreciation bonds, floating rate securities, inverse floating rate securities and other derivative instruments that replicate investment exposure to taxable municipal securities or other municipal securities. Such municipal securities may be acquired through investments in pooled vehicles, partnerships or other investment companies. The Fund may also purchase municipal securities representing a wide range of sectors and purposes.

Credit Quality:

Same as the current policy.

Differences Between Current and Post-Merger Policies

in BABs generally benefit from either a federal subsidy to the municipal issuer of up to 35% of the interest payable on the bond or a refundable tax credit provided directly to bond holders.⁽²⁾

None.

Current Policies: Target Fund and Acquiring Fund	Post-Merger Policies: Nuveen Taxable Municipal Income Fund ⁽¹⁾	Differences Between Current and Post-Merger Policies
Managed Assets in securities rated below investment grade or are unrated by any NRSRO but judged to be of comparable quality by Nuveen Asset Management.		
<i>Illiquid Securities:</i>	<i>Illiquid Securities:</i>	
Under normal circumstances, the Fund will not invest more than 15% of its Managed Assets in securities that, at the time of investment, are illiquid (i.e., securities that are not readily marketable). Inverse floating rate securities or the residual interest certificates of tender option bond trusts are not considered illiquid securities.	Same as the current policy.	None. However, the combined fund will be able to invest without the liquidity constraints associated with a term structure.
<i>Weighted Average Maturity Policy:</i>	<i>Weighted Average Maturity Policy:</i>	
Under normal circumstances, the Fund will generally invest in securities with intermediate- or long-term maturities. The Fund anticipates having a weighted average maturity of 15 to 35 years. The weighted average maturity of securities held by the Fund may be shortened or lengthened, depending on market conditions and on an assessment by the Fund's portfolio manager of which segments of the securities market offer the most favorable relative investment values and opportunities for income and total return.	Same as the current policy.	
<i>Portfolio Concentration:</i>	<i>Portfolio Concentration:</i>	
Under normal circumstances, the Fund will not invest more than 25% of its Managed Assets in municipal securities in any one industry or in any one state of origin.	Same as the current policy.	None.
<i>Use of Derivatives:</i>	<i>Use of Derivatives:</i>	
Under normal circumstances, the Fund also may invest up to 20% of	Same as the current policy.	None.

Current Policies: Target Fund and Acquiring Fund	Post-Merger Policies: Nuveen Taxable Municipal Income Fund ⁽¹⁾	Differences Between Current and Post-Merger Policies
<p>its total assets in certain derivative instruments to enhance returns. Such derivatives include financial futures contracts, swap contracts (including interest rate and credit default swaps), options on financial futures, options on swap contracts, or similar instruments. This limit will apply to the investment exposure created by those derivative instruments. Inverse floating rate securities are not regarded as derivatives for this purpose. Nuveen Asset Management may also use derivative instruments to hedge some of the risk of the Fund's investments in municipal securities, and such derivatives are not subject to this policy.</p>		
<i>Leverage:</i>	<i>Leverage:</i>	
<p>The Fund may use leverage (regulatory leverage) to the extent permitted by the Investment Company Act of 1940 (the 1940 Act). Regulatory leverage consists of senior securities as defined under the 1940 Act, which include (1) borrowings, including loans from financial institutions; (2) issuances of debt securities; and (3) issuances of preferred shares of beneficial interest ((1),(2), and (3) are hereinafter collectively referred to as regulatory leverage). Each Fund may also use other forms of leverage including, but not limited to, reverse repurchase agreements and portfolio investments that have the economic effect of leverage, including, but not limited to, investments in inverse floating rate securities of tender option bond trusts.</p>	<p>Same as the current policy.</p>	<p>None.</p>
<i>Contingent Term Provision:</i>	<i>Contingent Term Provision:</i>	
<p>If, for any twenty-four month period ending on or prior to</p>	<p>None.⁽⁴⁾</p>	<p>The Acquiring Fund will have a perpetual term.</p>

Current Policies: Target Fund and Acquiring Fund	Post-Merger Policies: Nuveen Taxable Municipal Income Fund ⁽¹⁾	Differences Between Current and Post-Merger Policies
<p>December 31, 2014, there are no new issuances of BABs or other taxable municipal securities with interest payments subsidized by the U.S. Government through direct pay subsidies, as a fundamental policy, the Fund will terminate (the Contingent Term Provision) on or around June 30, 2020 (the Acquiring Fund) or December 31, 2020 (the Target Fund).⁽³⁾⁽⁴⁾</p>		
<p>(1) If Acquiring Fund shareholders approve the elimination of the Acquiring Fund's Contingent Term Provision, the Acquiring Fund will change its name to Nuveen Taxable Municipal Income Fund upon the later of the closing of the Merger and the completion of the shareholder meeting, including any adjournments thereof.</p> <p>(2) The defined term "Assets" includes assets attributable to leverage created by the use of inverse floating rate securities of self-deposited tender option bond (TOB) trusts (self-deposited inverse floaters) but does not include assets attributable to leverage created by the use of inverse floating rate securities of externally deposited TOB trusts (externally deposited inverse floaters). In contrast, the defined term "Managed Assets" includes leverage created by the use of both self-deposited inverse floaters and externally deposited inverse floaters.</p> <p>(3) Because the issuance of Build America Bonds ceased on December 31, 2010, each Fund currently will terminate pursuant to its Contingent Term Provision.</p> <p>(4) Shareholders of the Acquiring Fund are being solicited pursuant to this Joint Proxy Statement/Prospectus to eliminate the Contingent Term Provision. See Proposal No. 3 Approval of Elimination of Fundamental Policy of the Acquiring Fund.</p>		
<p>During temporary defensive periods or in order to keep cash fully invested, the Funds may deviate from their investment policies and objectives. During such periods, a Fund may invest up to 100% of its Managed Assets in short-term investments, including high quality, short-term securities that may be either tax-exempt or taxable, or may invest in short-, intermediate-, or long-term U.S. Treasury Bonds. There can be no assurance that such strategies will be successful.</p>		

Except for each Fund's investment objectives and Contingent Term Provision, which are fundamental policies of the Fund, each of the foregoing investment policies, including each Fund's investment policy of investing at least 80% of its Managed Assets in certain securities, is a non-fundamental investment policy that can be changed by the Fund's Board without a shareholder vote. However, each Fund's investment policy to invest at least 80% of its Managed Assets in certain securities may be changed by the Board only following the provision of 60 days' prior notice to shareholders. The Funds can only change their fundamental investment restrictions with the approval of the holders of a majority of the outstanding voting securities of a Fund as is defined in the 1940 Act. When used with respect to particular shares of a Fund, a majority of the outstanding voting securities means the vote of (i) 67% or more of a Fund's shares present at a meeting, if the holders of more than 50% of the Fund's shares are present or represented by proxy; or (ii) more than 50% of the Fund's outstanding common shares, whichever is less.

The Funds have the same fundamental and non-fundamental investment restrictions. See "Investment Restrictions" in the Merger SAI.

Credit Quality. A comparison of the credit quality (as a percentage of total investment exposure, which includes the leveraged effect of the Funds' bank borrowings and investments in

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inverse floating rate securities of tender option bond trusts) of the portfolios of the Target Fund and the Acquiring Fund, as of September 30, 2017, is set forth in the table below.

Credit Rating ⁽¹⁾	Target Fund	Acquiring Fund	Nuveen Taxable Municipal Income Fund Pro Forma ⁽²⁾⁽³⁾
AAA/U.S. Guaranteed	14.3%	12.3%	12.7%
AA	59.1%	55.2%	56.1%
A	15.5%	21.1%	19.9%
BBB	3.5%	6.1%	5.5%
BB or lower	5.1%	3.2%	3.7%
N/R (not rated)	2.0%	1.9%	1.9%
N/A (not applicable) ⁽⁴⁾	0.5%	0.2%	0.2%

- (1) Ratings shown are the highest rating given by one of the following national rating agencies: S&P, Moody's or Fitch. Credit ratings are subject to change. AAA, AA, A and BBB are investment-grade ratings; BB or lower are below-investment-grade ratings. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by these national rating agencies.
- (2) Reflects the effect of the Merger.
- (3) Following the elimination of the Acquiring Fund's Contingent Term Provision, the Acquiring Fund will change its name to Nuveen Taxable Municipal Income Fund.
- (4) Relates to repurchase agreement holdings.

Portfolio Turnover. Each of the Funds may engage in portfolio trading when considered appropriate, but short-term trading is not used as a primary means of achieving a Fund's investment objective. Although the Funds cannot accurately predict their annual portfolio turnover rates, the annual portfolio turnover rate of each Fund is generally not expected to exceed 25% under normal circumstances. However, there are no limits on the Funds' rates of portfolio turnover, and investments may be sold without regard to length of time held when, in Nuveen Asset Management's opinion, investment considerations warrant such action.

For the fiscal year ended March 31, 2017, the portfolio turnover rate of the Target Fund and the Acquiring Fund was 17% and 11%, respectively.

Leverage. Each Fund may use leverage (regulatory leverage) to the extent permitted by the 1940 Act. Regulatory leverage consists of senior securities as defined under the 1940 Act, which include (1) borrowings, including loans from financial institutions; (2) issuances of debt securities; and (3) issuances of preferred shares ((1),(2), and (3) are hereinafter collectively referred to as regulatory leverage). Each Fund may also use other forms of leverage including, but not limited to, reverse repurchase agreements and portfolio investments that have the economic effect of leverage, including, but not limited to, investments in inverse floating rate securities of tender option bond trusts. The use of leverage creates special risks for common shareholders. See B. Risk Factors General Risks of Investing in the Funds Leverage Risk.

As of April 13, 2018, each Fund employs leverage through reverse repurchase agreements and investments in inverse floating rate securities of tender option bond trusts.

Certain important ratios related to each Fund's use of leverage as of each Fund's last three fiscal year ends are set forth below:

Target Fund	2017	2016	2015
Asset Coverage Ratio ⁽¹⁾	1423.82%	1473.05%	1560.32%
Regulatory Leverage Ratio ⁽²⁾	7.02%	6.79%	6.41%
Effective Leverage Ratio ⁽³⁾	29.35%	29.50%	28.24%

Acquiring Fund	2017	2016	2015
Asset Coverage Ratio ⁽¹⁾	728.15%	753.18%	783.88%
Regulatory Leverage Ratio ⁽²⁾	13.73%	13.28%	12.76%
Effective Leverage Ratio ⁽³⁾	28.74%	28.57%	27.64%

- (1) A Fund's asset coverage ratio is defined under the 1940 Act as the ratio that the value of the total assets of the Fund, less all liabilities not represented by senior securities, bears to the aggregate amount of senior securities issued by the Fund.
- (2) Regulatory leverage consists of senior securities as defined under the 1940 Act, which include (1) borrowings, including loans from financial institutions; (2) issuances of debt securities; and (3) issuances of preferred shares of beneficial interest. Regulatory leverage is sometimes referred to as 1940 Act Leverage and is subject to asset coverage limits set forth in the 1940 Act.
- (3) Effective leverage is a Fund's effective economic leverage, and includes both regulatory leverage, reverse repurchase agreements and the leverage effects of certain derivative investments in the Fund's portfolio. As of April 13, 2018, the leverage effects through reverse repurchase agreements and investments in inverse floating rate securities of tender option bond trusts are included in effective leverage ratios. Prior to April 13, 2018, the Funds employed leverage through borrowings and investments in inverse floating rate securities of tender option bond trusts.

The timing, amount and terms of any leverage are determined by a Fund's Board, and may vary with prevailing market or economic conditions. Changes in the timing, amount or terms of leverage may impact the fees and expenses of the Funds.

Board Members and Officers. The Funds have the same Board Members and officers. The management of each Fund, including general oversight of the duties performed by the Fund's investment adviser under an investment management agreement between the investment adviser and such Fund (each, an Investment Management Agreement), is the responsibility of its Board. Effective January 1, 2018, each Fund has eleven (11) Board Members, one (1) of whom is an interested person, as defined in the 1940 Act, and ten (10) of whom are not interested persons. The names and business addresses of the Board Members and officers of the Funds and their principal occupations and other affiliations during the past five years are set forth under Proposal No. 4 The Election of Board Members.

Pursuant to each Fund's by-laws, each Fund's Board is divided into three classes (Class I, Class II and Class III) with staggered multi-year terms, such that only the members of one of the three classes stand for election each year. The staggered board structure could delay for up to two years the election of a majority of the Board of each Fund. This board structure will remain in place following the closing of the Merger.

The members of each Fund's Board have adopted a unitary board structure whereby they oversee all funds in the Nuveen fund complex. In adopting a unitary board structure, the Board Members seek to provide effective governance through establishing a board, the overall composition of which will, as a body, possess the appropriate skills, independence and experience to oversee the Nuveen funds' business. The Board believes it is more efficient to have a single board review and oversee common policies and procedures, which increases the Board's knowledge and expertise with respect to the many aspects of fund operations that are complex-wide in nature. The unitary structure also enhances each Fund's Board's influence and oversight over the Adviser and other service providers.

All individuals who serve as officers of the Acquiring Fund also serve as officers of the Target Fund. Information regarding the officers of the Funds is set forth under Proposal No. 4 The Election of Board Members Fund Officers.

Investment Adviser. Nuveen Fund Advisors, the Funds' 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 Funds, oversees the management of the

Funds' portfolios, manages the Funds' 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, a registered investment adviser, is a 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, 2017, Nuveen managed approximately \$970 billion in assets, of which approximately \$139 billion was managed by Nuveen Fund Advisors.

Unless earlier terminated as described below, each Fund's Investment Management Agreement with Nuveen Fund Advisors will remain in effect until August 1, 2018. Each Investment Management Agreement continues in effect from year to year so long as such continuation is approved at least annually by: (1) the Board or the vote of a majority of the outstanding voting securities of the Fund; and (2) a majority of the Board Members who are not interested persons of any party to the Investment Management Agreement, cast in person at a meeting called for the purpose of voting on such approval. Each Investment Management Agreement may be terminated at any time, without penalty, by either the Fund or Nuveen Fund Advisors upon 60 days' written notice and is automatically terminated in the event of its assignment, as defined in the 1940 Act.

Pursuant to each Investment Management Agreement, each Fund has agreed to pay an annual management fee for the overall advisory and administrative services and general office facilities provided by Nuveen Fund Advisors. Each Fund's management fee consists of two components: a complex-level fee, based on the aggregate amount of all eligible fund assets managed by Nuveen Fund Advisors, and a specific fund-level fee, based only on the amount of assets within such Fund. This pricing structure enables the Funds' shareholders to benefit from growth in assets within each individual Fund as well as from growth of complex-wide assets managed by Nuveen Fund Advisors.

For the fiscal year ended March 31, 2017, the effective management fee rate of the Target Fund and Acquiring Fund, expressed as a percentage of average total daily managed assets (including assets attributable to leverage), was 0.6057% and 0.5873%, respectively.

The annual fund-level fee rate for each Fund, payable monthly, is calculated according to the following schedule:

Fund-Level Fee Schedule for each Fund

Average Total Daily Managed Assets ⁽¹⁾	Rate
For the first \$125 million	0.4500%
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	0.3750%
For managed assets over \$5 billion	0.3625%

(1) For this purpose, managed assets means the total assets of the Fund, minus the sum of its accrued liabilities (other than Fund liabilities incurred for the express purpose of creating financial leverage). Total assets for this purpose shall include assets attributable to the Fund's use of financial leverage (whether or not those assets are reflected in the Fund's financial statements for purposes of generally accepted accounting principles).

The management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. Each Fund pays all of its other costs and expenses of its operations, including compensation of its Board Members (other than those affiliated with the Adviser), custodian, transfer agency and dividend disbursing expenses, legal fees, expenses of independent auditors, expenses of repurchasing shares, expenses of issuing any preferred shares, expenses of preparing, printing and distributing shareholder reports, notices, proxy statements and reports to governmental agencies, listing fees and taxes, if any.

Each Fund also pays a complex-level fee to Nuveen Fund Advisors, which is payable monthly and is in addition to the fund-level fee. The complex-level fee is based on the aggregate daily amount of eligible assets for all Nuveen sponsored funds in the United States, as stated in the table below. As of September 30, 2017, the complex-level fee rate for each Fund was 0.1599%.

The annual complex-level fee for each Fund, payable monthly, is calculated by multiplying the current complex-wide fee rate determined according to the following schedule:

Complex-Level Fee Rates

Complex-Level Eligible Asset Breakpoint Level⁽¹⁾	Effective Rate at Breakpoint Level
\$55 billion	0.2000%
\$56 billion	0.1996%
\$57 billion	0.1989%
\$60 billion	0.1961%
\$63 billion	0.1931%
\$66 billion	0.1900%
\$71 billion	0.1851%
\$76 billion	0.1806%
\$80 billion	0.1773%
\$91 billion	0.1691%
\$125 billion	0.1599%
\$200 billion	0.1505%
\$250 billion	0.1469%
\$300 billion	0.1445%

(1) For the complex-level fees, managed assets include closed-end fund assets managed by Nuveen Fund Advisors that are attributable to certain types of leverage. For these purposes, leverage includes the funds' use of preferred stock and borrowings and certain investments in the residual interest certificates (also called inverse floating rate securities) in tender option bond (TOB) trusts, including the portion of assets held by a TOB trust that has been effectively financed by the trust's issuance of floating rate securities, subject to an agreement by Nuveen Fund Advisors as to certain funds to limit the amount of such assets for determining managed assets in certain circumstances. The complex level fee is calculated based upon the aggregate daily managed assets of all Nuveen open-end and closed-end funds that constitute eligible assets. Eligible assets do not include assets attributable to investments in other Nuveen funds or assets in excess of a determined amount (originally \$2 billion) added to the Nuveen fund complex in connection with Nuveen Fund Advisor's assumption of the management of the former First American Funds effective January 1, 2011.

Sub-Adviser. Nuveen Fund Advisors has selected its wholly owned subsidiary, Nuveen Asset Management, LLC (Nuveen Asset Management or the Sub-Adviser), located at 333 West Wacker Drive, Chicago, Illinois 60606, to serve as the sub-adviser to each of the Funds pursuant to a sub-advisory agreement between Nuveen Fund Advisors and Nuveen Asset Management (each, a Sub-Advisory Agreement). Nuveen Asset Management, a registered investment adviser, oversees day-to-day operations and manages the investment of the Funds' assets on a discretionary basis, subject to the supervision of Nuveen Fund Advisors. Pursuant to each Sub-Advisory Agreement, Nuveen Asset Management is compensated for the services it provides to the Funds with a portion of the management fee Nuveen Fund Advisors receives from each Fund. Nuveen Fund Advisors and Nuveen Asset Management retain the right to reallocate investment advisory responsibilities and fees between themselves in the future.

For the services provided pursuant to each Fund's Sub-Advisory Agreement, Nuveen Fund Advisors pays Nuveen Asset Management a portfolio management fee, payable monthly, equal to 53.8462% of the management fee (net of applicable breakpoints, waivers and reimbursements) paid by the Fund to Nuveen Fund Advisors.

A discussion of the basis for the Board's most recent approval of each Fund's current Investment Management Agreement and Sub-Advisory Agreement are included in the Fund's Semi-Annual Report for the reporting period ended September 30, 2017.

Portfolio Management. As each Fund's sub-adviser, Nuveen Asset Management is responsible for the investment of each Fund's Managed Assets. Daniel J. Close, CFA and John Miller, CFA have served as portfolio managers of the Funds since their respective inceptions and will continue to be responsible for the day-to-day management of the Acquiring Fund's investment portfolio following the consummation of the Merger.

Daniel J. Close, CFA, is a Senior Vice President of Nuveen Asset Management. Mr. Close is the lead portfolio manager for the firm's taxable municipal strategies. He manages several state-specific municipal bond strategies, including Georgia, Kentucky, Michigan, North Carolina, Ohio and Tennessee, and related institutional portfolios. He joined Nuveen Investments in 2000 as a member of Nuveen's product management and development team. He then served as a research analyst for Nuveen's municipal investing team, covering corporate-backed, energy, transportation and utility credits. He received his BS in Business from Miami University and his MBA from Northwestern University's Kellogg School of Management. Mr. Close has earned the Chartered Financial Analyst designation.

John Miller, CFA, is Co-Head of Fixed Income and Managing Director of Nuveen Asset Management (NAM). He supervises NAM's municipal fixed-income investment activities. He also has direct responsibility for managing high-yield municipal funds and certain institutional accounts. He joined Nuveen Investments in 1996 as a municipal credit analyst and moved into portfolio management in 2000. Mr. Miller became a managing director and head of Nuveen Asset Management's portfolio managers in 2006, and he became its Co-Head of Fixed Income in 2011. Mr. Miller earned his BA in economics and political science from Duke University, an MA in economics from Northwestern University, and an MBA with honors in finance from the University of Chicago.

The Merger SAI provides additional information about the portfolio managers' compensation, other accounts managed and ownership of securities in the Funds, as applicable.

Comparative Risk Information

Because the Funds have the same investment objective and substantially identical investment policies and, at present, portfolio compositions, the principal risks of an investment in each Fund are substantially identical. In addition, substantially identical principal risks will apply to an investment in the Acquiring Fund following the elimination of the Acquiring Fund's Contingent Term Provision and the adoption by the Acquiring Fund of the expanded investment mandate. An investment in each Fund is subject to various risks associated with investing primarily in a portfolio of municipal securities and employing leverage, which include:

Investment and Market Risk; Market Discount to Net Asset Value Risk. An investment in each Fund's common shares is subject to investment risk, including the possible loss of the

entire principal amount that you invest. Your investment in common shares represents an indirect investment in the municipal securities owned by the Funds, which generally trade in the over-the-counter (OTC) markets. Your common shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of Fund dividends and distributions.

Municipal Securities Risk. Special factors may adversely affect the value of municipal securities and have a significant effect on the yield or value of a Fund's investments in municipal securities. These factors include economic conditions, political or legislative changes, regulatory developments or enforcement actions, uncertainties related to the tax status of municipal securities, or the rights of investors. U.S. federal tax law changes that take effect in 2018 may affect the demand for and supply of municipal bonds, which may affect yields and other factors.

Build America Bonds Risk. Build America Bonds involve risks similar to those applicable to municipal bonds, including credit and market risk. Because certain states, including California, New York, Illinois, Texas and Ohio, were heavy issuers of BABs, the Funds may have a greater exposure to the economic or other factors affecting such states than a more diversified national municipal bond fund. The number of available BABs is limited due to the expiration of the program in 2010, which may negatively affect the value of the Build America Bonds. In addition, there can be no assurance that BABs will be actively traded. It is difficult to predict the extent to which a market for such bonds will continue, meaning that BABs may experience greater illiquidity than other municipal obligations.

In addition, should a BAB's issuer fail to continue to meet the applicable requirements imposed on such bonds, it is possible that such issuer may not receive federal cash subsidy payments, impairing the issuer's ability to make scheduled interest payments. The BABs outstanding as of December 31, 2010 will continue to be eligible for the federal interest rate subsidy, which continues for the life of the BABs, provided that the issuer continues to meet all applicable program eligibility requirements; however, there is no assurance that the federal subsidy will be continued at the original levels. For example, the federal government originally subsidized 35% of the issuer's interest cost but has since reduced the subsidy in accordance with a yearly rate reduction schedule due to sequestration (the subsidy for 2018 is 28.4%).

Tax Risk. The tax treatment of the Funds and their distributions may be affected by new Internal Revenue Service (IRS) interpretations of the Code and future changes in tax laws and regulations.

Leverage Risk. Each Fund's use of leverage creates the possibility of higher volatility for the Fund's per share net asset value, market price, and distributions. Leverage can include, but is not limited to, regulatory leverage, reverse repurchase agreements and portfolio investments that have the economic effect of leverage. Leverage typically magnifies the total return of a Fund's portfolio, whether that return is positive or negative. The use of leverage creates an opportunity for increased share net income, but there is no assurance that a Fund's leveraging strategy will be successful. Leverage may also increase a Fund's liquidity risk, as the Fund may need to sell securities at inopportune times to stay within Fund or regulatory limits.

Inverse Floater Risk. The Funds may invest in inverse floaters. Due to their leveraged nature, these investments can greatly increase a Fund's exposure to interest rate risk and credit risk. In addition, investments in inverse floaters involve the risk that the Fund could lose more than its original principal amount.

Reverse Repurchase Agreement Risk. Reverse repurchase agreements involve the sale of securities held by a Fund with an agreement to repurchase the securities at an agreed-upon price, date and interest payment, and represent borrowings of the Fund. Reverse repurchase agreements involve the risk that the other party to the agreement may fail to return the securities in a timely manner or at all. A Fund could lose money if it is unable to recover the securities and the value of the collateral held by the Fund, including the value of investments made with cash collateral, is less than the value of the securities. These events could also trigger adverse tax consequences to the Fund. The use by a Fund of reverse repurchase agreements involves many of the same risks of leverage since the proceeds derived from such reverse repurchase agreements may be invested in additional securities.

Limited Term Risk. Each Fund currently has a fundamental policy requiring it to terminate and liquidate its assets and return the proceeds to its shareholders on or before a specific date if certain conditions are met, although it could terminate sooner or later under certain conditions. Those conditions have been satisfied. Accordingly, each Fund may be required to reposition its portfolio to more liquid assets and to sell portfolio securities at times when market conditions are not favorable in order to liquidate its portfolio, negatively affecting its value. Additionally, the liquidation of the portfolio and termination of the Fund may result in taxable gains or income being distributed to shareholders. If shareholders of the Acquiring Fund approve the elimination of the Acquiring Fund's Contingent Term Provision, this risk will no longer apply to the Acquiring Fund. See Proposal No. 3 Approval of Elimination of Fundamental Policy of the Acquiring Fund.

Issuer Credit Risk. This is the risk that a security in a Fund's portfolio will fail to make dividend or interest payments when due. Investments in lower rated securities are subject to higher risks than investments in higher rated securities.

Interest Rate Risk. Fixed-income securities such as bonds, preferred, convertible and other debt securities will decline in value if market interest rates rise.

Reinvestment Risk. If market interest rates decline, income earned from a Fund's portfolio may be reinvested at rates below that of the original bond that generated the income. A decline in income could negatively affect the market price of a Fund's shares or a shareholder's returns.

Call Risk or Prepayment Risk. Issuers may exercise their option to prepay principal earlier than scheduled, forcing a Fund to reinvest in lower yielding securities.

Derivatives Risk. The Funds may use derivative instruments which involve a high degree of financial risk, including the risk that the loss on a derivative may be greater than the principal amount invested.

Municipal Bond Market Liquidity Risk. Inventories of municipal bonds held by brokers and dealers have decreased in recent years, lessening their ability to make a market in these securities. This reduction in market making capacity has the potential to decrease a Fund's ability to buy or sell bonds, and increase bond price volatility and trading costs, particularly during periods of economic or market stress. In addition, changes to federal banking regulations may cause certain dealers to reduce their inventories of municipal bonds, which may further decrease a Fund's ability to buy or sell bonds. As a result, a Fund may be forced to accept a lower price to sell a security, to sell other securities to raise cash, or to give up an investment opportunity, any of which could have a negative effect on performance. If a Fund needed to sell large blocks of bonds, those sales could further reduce the bonds' prices and hurt performance.

High Yield Securities Risk. High yield securities, which are rated below investment grade and commonly referred to as junk bonds, are speculative and high risk investments that may cause income and principal losses for a Fund. They generally have greater credit risk, involve greater risks of default, downgrade, or price declines, are less liquid and have more volatile prices than investment-grade securities. Issuers of high yield securities are less financially strong, are more likely to encounter financial difficulties, and are more vulnerable to adverse market events and negative sentiments than issuers with higher credit ratings.

The principal risks of investing in the Funds are described in more detail below. See "B. Risk Factors" on page 18 for additional information regarding risks.

Comparative Expense Information

The purpose of the Comparative Fee Table is to assist you in understanding the various costs and expenses of investing in common shares of the Funds. The information in the table reflects the fees and expenses for each Fund's six-month semi-annual period ended September 30, 2017 (annualized) and the pro forma expenses for the six-month semi-annual period ended September 30, 2017 (annualized), for the Acquiring Fund following the Merger.

In the Comparative Fee Table, generally accepted accounting principles (GAAP) require Interest Expense on Borrowings to include the leverage expense of inverse floating rate securities of self-deposited tender option bond (TOB) trusts (self-deposited inverse floaters) but do not require the inclusion of leverage expense of inverse floating rate securities of externally deposited TOB trusts. Because the Target Fund holds a lower percentage of self-deposited inverse floaters than the Acquiring Fund, its leverage expenses under GAAP are lower in the Comparative Fee Table. However, the Funds have historically held similar amounts of overall TOB leverage and the total leverage costs of the Acquiring Fund and Target Fund are substantially the same after taking all TOBs into account. The Board considered that the pro forma expense ratio of the Target Fund was estimated to decline following the Merger after taking into account these costs.

The figures in the Example are not necessarily indicative of past or future expenses, and actual expenses may be greater or less than those shown. The Funds' actual rates of return may be greater or less than the hypothetical 5% annual return shown in the Example.

Comparative Fee Table⁽¹⁾

	Target Fund	Acquiring Fund	Nuveen Taxable Municipal Income Fund Pro Forma⁽²⁾⁽³⁾
Annual Expenses (as a percentage of net assets attributable to common shares)			
Management Fees	0.85%	0.82%	0.81%
Interest Expense on Borrowings ⁽⁴⁾	0.20%	0.44%	0.39%
Other Expenses ⁽⁵⁾	0.08%	0.05%	0.05%
Total Annual Expenses	1.13%	1.31%	1.25%

- (1) Annual Expenses (as a percentage of net assets attributable to common shares) for each Fund are based on the expenses of the Funds for the six-month semi-annual period ended September 30, 2017 (annualized). Annual Expenses (as a percentage of net assets attributable to common shares) for the Nuveen Taxable Municipal Income Fund Pro Forma are based on the expenses of the Funds for the six-month semi-annual period ended September 30, 2017 (annualized).
- (2) Pro Forma figures reflect the anticipated reduction of certain duplicative expenses eliminated as a result of the Merger. Pro Forma expenses do not include the expenses to be borne by the shareholders of the Funds in connection with the Merger, which are estimated to be \$235,000 (0.14%) for the Target Fund and \$605,000 (0.10%) for the Acquiring Fund. All percentages are based on average net assets attributable to common shares for the six-month semi-annual period ended September 30, 2017.
- (3) Following the elimination of the Acquiring Fund's Contingent Term Provision, the Acquiring Fund will change its name to Nuveen Taxable Municipal Income Fund.
- (4) Interest Expense on Borrowings reflects the actual borrowing expenses incurred by the Funds during the six-month semi-annual period ended September 30, 2017 (annualized), except for expenses of inverse floating rate securities of externally deposited tender option bond trusts, which are excluded pursuant to GAAP. The timing, amount and terms of any leverage are determined by a Fund's Board, and may vary with prevailing market or economic conditions. Changes in the timing, amount or terms of leverage may impact the fees and expenses of the Funds.
- (5) Other Expenses are estimated based on actual expenses from the prior fiscal period.

Example: The following examples illustrate the expenses that a shareholder would pay on a \$1,000 investment that is held for the time periods provided in the table. The examples assume that all dividends and other distributions are reinvested and that Total Annual Expenses remain the same. The examples also assume a 5% annual return. The examples should not be considered a representation of future expenses, and your actual expenses may be higher or lower. However, based on the assumptions discussed above, your costs would be:

	1 Year	3 Years	5 Years	10 Years
Target Fund	\$ 12	\$ 36	\$ 62	\$ 137
Acquiring Fund	\$ 13	\$ 42	\$ 72	\$ 158
Nuveen Taxable Municipal Income Fund Pro Forma	\$ 13	\$ 40	\$ 69	\$ 151

Comparative Performance Information

Comparative total return performance for the Funds for the periods ended September 30, 2017 (annualized):

	Cumulative Total Return on Net Asset Value	Average Annual Total Return on Net Asset Value			Cumulative Total Return on Market Value	Average Annual Total Return on Market Value				
		6 Months	One Year	Five Years		Since Inception	6 Months	One Year	Five Years	Since Inception
Target Fund ⁽¹⁾	7.62%	3.71%	5.46%	8.99%	4.54%	1.91%	6.30%	7.95%		
Acquiring Fund ⁽²⁾	6.45%	2.09%	6.09%	8.56%	5.76%	0.43%	6.81%	7.82%		

- (1) Since inception returns are from November 23, 2010.
- (2) Since inception returns are from April 27, 2010.

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

B. RISK FACTORS

An investment in the Acquiring Fund may not be appropriate for all investors. The Acquiring Fund is not intended to be a complete investment program and, due to the uncertainty inherent in all investments, there can be no assurance that the Acquiring Fund will achieve its investment objective. Investors should consider their long-term investment goals and financial needs when making an investment decision with respect to the Acquiring Fund. An investment in the Acquiring Fund is intended to be a long-term investment, and you should not view the Acquiring Fund as a trading vehicle. Your shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of Acquiring Fund dividends and distributions, if applicable.

Because the Funds have the same investment objective and substantially identical investment policies and, at present, portfolio compositions, investments in the Funds are subject to similar risks. In addition, substantially identical risks will apply to an investment in the Acquiring Fund following the elimination of the Acquiring Fund's Contingent Term Provision and the adoption by the Acquiring Fund of the expanded investment mandate. The risks associated with an investment in each Fund are discussed below. The risks and special considerations listed below should be considered by shareholders of each Fund in their evaluation of the Merger.

General Risks of Investing in the Funds

Investment and Market Risk. An investment in the shares of a Fund is subject to investment risk, including the possible loss of the entire principal amount that you invest. Your investment in shares represents an indirect investment in the municipal securities owned by the Fund. Your shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of dividends and distributions, if applicable. In addition, the ability of municipalities to collect revenue and service their obligations could be materially and adversely affected by an economic downturn or prolonged recession. Because certain states, including California, New York, Illinois, Texas and Ohio, were heavy issuers of BABs, the Funds may have a greater exposure to the economic or other factors affecting such states than a more diversified national municipal bond fund. Investors bear a risk of loss to the extent that the price at which they sell their shares is lower than at the time of purchase. The shares of each Fund are designed primarily for long-term investors, and you should not view either Fund as a vehicle for trading purposes.

Market Discount to Net Asset Value. The market price of shares of closed-end investment companies may fluctuate and during certain periods may trade at prices lower than net asset value. Because the market price of a Fund's shares will be determined by factors such as relative supply of and demand for the shares in the market, general market and economic conditions and other factors beyond the control of the Fund, the Fund cannot predict whether its shares will trade at, above or below net asset value. This characteristic is a risk separate and distinct from the risk that a Fund's net asset value could decrease as a result of investment activities.

Credit and Below-Investment-Grade Risk. Credit risk is the risk that one or more municipal securities in a Fund's portfolio will decline in price, or the issuer thereof will fail to pay interest or principal when due, because the issuer of the security experiences a decline in its financial status. In general, lower-rated municipal securities carry a greater degree of risk that the issuer will lose its ability to make interest and principal payments, which could have a negative impact on a Fund's net asset value or dividends. Credit risk is increased when a portfolio security is downgraded or the perceived creditworthiness of the issuer deteriorates. If a downgrade occurs, the Adviser and/or the Sub-Adviser will consider what action, including the sale of the security, is in the best interests of a Fund and its shareholders. Municipal securities of below-investment-grade quality, commonly referred to as junk bonds, are regarded as having predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal when due, and they are more susceptible to default or decline in market value due to adverse economic and business developments than investment-grade municipal securities. Also, to the extent that the rating assigned to a municipal security in a Fund's portfolio is downgraded by any NRSRO, the market price and liquidity of such security may be adversely affected. The market values for municipal securities of below-investment-grade quality tend to be volatile, and these securities are less liquid than investment-grade municipal securities. For these reasons, an investment in a Fund, compared with a portfolio consisting predominantly or solely of investment-grade securities, may experience the following:

increased price sensitivity resulting from a deteriorating economic environment and/or changing interest rates;

greater risk of loss due to default or declining credit quality;

adverse issuer-specific events that are more likely to render the issuer unable to make interest and/or principal payments; and

the possibility that a negative perception of the below-investment-grade market develops, resulting in the price and liquidity of below-investment-grade securities becoming depressed, and this negative perception could last for a significant period of time.

Adverse changes in economic conditions are more likely to lead to a weakened capacity of a below-investment-grade issuer to make principal payments and interest payments compared to an investment-grade issuer. The principal amount of below-investment-grade securities outstanding has proliferated in the past decade as an increasing number of issuers have used below-investment-grade securities for financing. An economic downturn may severely affect the ability of highly leveraged issuers to service their debt obligations or to repay their obligations upon maturity. In the event of an economic downturn, with decreased tax and other revenue streams of municipal issuers, or in the event interest rates rise sharply, increasing the interest cost on variable rate instruments and negatively impacting economic activity, the number of defaults by below-investment-grade municipal issuers

would likely increase. Similarly, prolonged downturns in profitability in specific industries could adversely affect private activity bonds. The market values of lower-quality debt securities tend to reflect individual developments of the issuer to a greater extent than do higher-quality securities, which react primarily to fluctuations in the general level of interest rates. Factors having an adverse impact on the market value of lower-quality securities may have an adverse impact on a Fund's net asset value and the market value of its common shares. In addition, a Fund may incur additional expenses to the extent it is required to seek recovery upon a default in payment of principal or interest on its portfolio holdings. In certain circumstances, a Fund may be required to foreclose on an issuer's assets and take possession of its property or operations. In such circumstances, a Fund would incur additional costs in disposing of such assets and potential liabilities from operating any business acquired.

The secondary market for below-investment-grade securities may not be as liquid as the secondary market for more highly rated securities, a factor that may have an adverse effect on a Fund's ability to dispose of a particular security. There are fewer dealers in the market for below-investment grade municipal securities than the market for investment-grade municipal securities. The prices quoted by different dealers for below-investment-grade municipal securities may vary significantly, and the spread between the bid and ask price is generally much larger for below-investment-grade municipal securities than for higher-quality instruments. Under adverse market or economic conditions, the secondary market for below-investment-grade securities could contract, independent of any specific adverse changes in the condition of a particular issuer, and these instruments may become illiquid. As a result, a Fund could find it more difficult to sell these securities or may be able to sell the securities only at prices lower than if such securities were widely traded. Prices realized upon the sale of such lower rated or unrated securities, under these circumstances, may be less than the prices used in calculating a Fund's net asset value.

Issuers of such below-investment-grade securities are typically highly leveraged and may not have available to them more traditional methods of financing. Therefore, the risk associated with acquiring the securities of such issuers generally is greater than is the case with higher rated securities. For example, during an economic downturn or a sustained period of rising interest rates, highly leveraged issuers of below-investment-grade securities may experience financial stress. During such periods, such issuers may not have sufficient revenues to meet their interest payment obligations. The issuer's ability to service its debt obligations also may be adversely affected by specific developments, the issuer's inability to meet specific projected forecasts or the unavailability of additional financing. The risk of loss from default by the issuer is significantly greater for the holders of below-investment grade securities because such securities are generally unsecured and are often subordinated to other creditors of the issuer. Prices and yields of below-investment-grade securities will fluctuate over time and, during periods of economic uncertainty, volatility of below-investment-grade securities may adversely affect a Fund's net asset value. In addition, investments in below-investment-grade zero coupon bonds rather than income-bearing below-investment-grade securities, may be more speculative and may be subject to greater fluctuations in value due to changes in interest rates.

Each Fund may invest in distressed securities, which are securities of obligors that are involved in bankruptcy or insolvency proceedings or are experiencing other financial difficulties at the time of acquisition by the Fund. The issuers of such securities may be in transition, out of favor, financially leveraged or troubled, or potentially troubled, and may be or have recently been involved in major strategic actions, restructurings, bankruptcy, reorganization or liquidation. These characteristics of these obligors can cause their securities to be particularly risky, although they also may offer the potential for high returns. These obligors' securities may be considered speculative, and the ability of

the obligors to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within the companies. Distressed securities frequently do not produce income while they are outstanding and may require a Fund to bear certain extraordinary expenses in order to protect and recover its investment.

Investments in lower rated or unrated securities may present special tax issues for a Fund, including when the issuers of these securities default on their obligations pertaining thereto, and the federal income tax consequences to the Fund as a holder of such distressed securities may not be clear.

Municipal Securities Market Risk. Investing in the municipal securities market involves certain risks. The municipal securities market is one in which dealer firms make markets in bonds on a principal basis using their proprietary capital, and during periods of market turmoil these firms capital may be severely constrained. As a result, under such conditions, some firms may be unwilling to commit their capital to purchase and to serve as a dealer for municipal securities. The amount of public information available about the municipal securities in a Fund's portfolio is generally less than that for corporate equities or bonds, and a Fund's investment performance may therefore be more dependent on the analytical abilities of the Adviser and the Sub-Adviser than if the Fund were to invest in stocks or taxable bonds. The secondary market for municipal securities, particularly the below-investment-grade securities in which a Fund may invest, also tends to be less well-developed or liquid than many other securities markets, which may adversely affect the Fund's ability to sell its municipal securities at attractive prices or at prices approximating those at which the Fund values them from time to time. Municipal securities may contain redemption provisions, which may allow the securities to be called or redeemed prior to their stated maturity, potentially resulting in the distribution of principal and a reduction in subsequent interest distributions.

The ability of municipal issuers to make timely payments of interest and principal may be diminished during general economic downturns and as governmental cost burdens are reallocated among federal, state and local governments. In addition, laws enacted in the future by Congress or state legislatures or by referenda could extend the time for payment of principal and/or interest or impose other constraints on the enforcement of such obligations or on the ability of municipalities to levy taxes. Further, some state and local governments have been and in the future may be subject to direct ballot referenda that could limit their financial flexibility, or their ability to levy taxes or raise tax revenues, which may adversely affect the marketability of notes and bonds issued by those state and local governments. Issuers of municipal securities might seek protection under the bankruptcy laws. In the event of bankruptcy of such an issuer, a Fund could experience delays in collecting principal and interest and the Fund may not, in all circumstances, be able to collect all principal and interest to which it is entitled. To enforce its rights in the event of a default in the payment of interest or repayment of principal, or both, a Fund may take possession of and manage the assets securing the issuer's obligations on such securities, which may increase the Fund's operating expenses. Any income derived from a Fund's ownership or operation of such assets may not be of the type that would allow the Fund to continue to qualify as a regulated investment company for federal income tax purposes.

Revenue bonds issued by state or local agencies to finance the development of low-income, multi-family housing involve special risks in addition to those associated with municipal securities generally, including that the underlying properties may not generate sufficient income to pay expenses and interest costs. These bonds are generally non-recourse against the property owner, may be junior to the rights of others with an interest in the properties, may pay interest the amount of which changes

based in part on the financial performance of the property, may be pre-payable without penalty and may be used to finance the construction of housing developments that, until completed and rented, do not generate income to pay interest. Additionally, unusually high rates of default on the underlying mortgage loans may reduce revenues available for the payment of principal or interest on such mortgage revenue bonds.

U.S. federal tax law changes that take effect in 2018 may affect the demand for and supply of municipal bonds, which may affect yields and other factors.

Special Risks Related to Certain Municipal Obligations. Municipal leases and certificates of participation involve special risks not normally associated with general obligations or revenue bonds. Leases and installment purchase or conditional sale contracts (which normally provide for title to the leased asset to pass eventually to the governmental issuer) have evolved as a means for governmental issuers to acquire property and equipment without meeting the constitutional and statutory requirements for the issuance of debt. The debt issuance limitations are deemed to be inapplicable because of the inclusion in many leases or contracts of non-appropriation clauses that relieve the governmental issuer of any obligation to make future payments under the lease or contract unless money is appropriated for such purpose by the appropriate legislative body on a yearly or other periodic basis. In addition, such leases or contracts may be subject to the temporary abatement of payments in the event that the governmental issuer is prevented from maintaining occupancy of the leased premises or utilizing the leased equipment. Although the obligations may be secured by the leased equipment or facilities, the disposition of the property in the event of non-appropriation or foreclosure might prove difficult, time consuming and costly, and may result in a delay in recovering or the failure to fully recover a Fund's original investment. In the event of non-appropriation, the issuer would be in default and taking ownership of the assets may be a remedy available to a Fund, although the Fund does not anticipate that such a remedy would normally be pursued. To the extent that a Fund invests in unrated municipal leases or participates in such leases, the credit quality rating and risk of cancellation of such unrated leases will be monitored on an ongoing basis. Certificates of participation, which represent interests in unmanaged pools of municipal leases or installment contracts, involve the same risks as the underlying municipal leases. In addition, a Fund may be dependent upon the municipal authority issuing the certificates of participation to exercise remedies with respect to the underlying securities. Certificates of participation also entail a risk of default or bankruptcy, both of the issuer of the municipal lease and also the municipal agency issuing the certificate of participation.

Build America Bonds Risk. Build America Bonds are taxable municipal obligations issued pursuant to the American Recovery and Reinvestment Act of 2009 that are subject to federal subsidies of up to 35% of the interest payable on the bonds in the form of direct subsidies to the bond issuer or refundable tax credits to the bond holder. Build America Bonds are not guaranteed by the U.S. government or its agencies or instrumentalities. While the federal subsidy continues for the life of the bonds, provided that the issuer continues to meet all applicable program eligibility requirements, there is no assurance that the federal subsidy will be continued at original levels. For example, the federal government originally subsidized 35% of the issuer's interest cost but has since reduced the subsidy in accordance with a yearly rate reduction schedule due to sequestration (the subsidy for 2018 is 28.4%). Further decreases in the level of the subsidy may impair the ability of issuers to make interest payments when due.

Build America Bonds were an alternative form of financing to state and local governments whose primary means for accessing the capital markets had been through issuance of tax free municipal bonds. Pursuant to the terms of the American Recovery and Reinvestment Act of 2009, the

issuance of Build America Bonds ceased on December 31, 2010. As a result, the availability of such bonds is limited and there can be no assurance that Build America Bonds will be actively traded. The market for the bonds and/or their liquidity may be negatively affected. Changes to the U.S. federal income tax laws that take effect in 2018 may affect the demand for and supply of taxable municipal bonds, including BABs.

Build America Bonds involve similar risks as traditional municipal bonds, including credit and market risk. Because certain states, including California, New York, Illinois, Texas and Ohio, were heavy issuers of BABs, the Funds may have a greater exposure to the economic or other factors affecting such states than a more diversified national municipal bond fund. In addition, should a Build America Bond's issuer fail to continue to meet the applicable requirements, it is possible that such issuer may not receive federal cash subsidy payments, impairing the issuer's ability to make scheduled interest payments. Build America Bonds may be subject to greater reinvestment risk, which is the risk that the Fund is unable to invest in bonds with similar yields, as BABs with attractive above-market purchase yields mature or are called.

Tender Option Bond Regulatory Risk. The federal banking regulators, the SEC and the Commodity Futures Trading Commission (CFTC) in recent years have adopted rules and regulations that have impacted or may impact tender option bond trusts (referred to herein as TOB trusts) and securities issued by such trusts, including most notably the so-called Volcker Rule, added to the Bank Holding Company Act of 1956 with the adoption of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act). The Volcker Rule places certain restrictions on the ability of any banking entity to sponsor, acquire interests in and engage in certain activities with a TOB trust. As a result, certain activities to support the remarketing of floating rate certificates undertaken by banking entities, in their role as remarketing agents or liquidity providers to TOB trusts, before the compliance date for the Volcker Rule are no longer permitted under the standard TOB trust structure. To be compliant with the Volcker Rule, the standard TOB trust structure has been modified since the Rule's adoption (1) to shift certain rights and responsibilities from the remarketing agent and liquidity provider to the owners of the inverse floating rate securities such as a Fund itself, and (2) to change the way in which liquidity is provided to support remarketing of the floating rate securities. Holders of inverse floating rate securities, including a Fund, may delegate many of these responsibilities to a third-party administrator, which would generate additional costs relative to the standard TOB trust structure. The total impact of these modifications remains to be fully seen, but the operational and structural changes associated with these modifications may make early unwinds of TOB trusts in adverse market scenarios more likely, may make the use of TOB trusts more expensive and, overall, may make it more difficult to use TOB trusts to effectively leverage municipal investments to the extent that a Fund may desire. In addition, these modifications have raised or may raise other regulatory issues that may require further refinement to the structure, may impede the future use of TOB trusts as a means of financing leverage, or may increase future costs of TOB-based leverage.

Interest Rate Risk. Generally, when market interest rates rise, bond prices fall, and vice versa. Interest rate risk is the risk that the municipal securities in a Fund's portfolio will decline in value because of increases in market interest rates. As interest rates decline, issuers of municipal securities may prepay principal earlier than scheduled, forcing a Fund to reinvest in lower yielding securities and potentially reducing the Fund's income. As interest rates increase, slower-than-expected principal payments may extend the average life of securities, potentially locking-in a below-market interest rate and reducing a Fund's value. In typical market interest rate environments, the prices of longer-term municipal securities generally fluctuate more than prices of shorter-term municipal securities as

interest rates change. Because each Fund primarily invests in longer-term municipal securities, the common share net asset value and market price per share will fluctuate more in response to changes in market interest rates than if a Fund invested primarily in shorter-term municipal securities. Because the values of lower-rated and comparable unrated debt securities are affected both by credit risk and interest rate risk, the price movements of such lower grade securities typically have not been highly correlated to the fluctuations of the prices of investment-grade-quality securities in response to changes in market interest rates. A Fund's use of leverage, as described herein, will tend to increase common share interest rate risk. There may be less governmental intervention in the securities markets in the near future. The negative impact on fixed-income securities if interest rates increase as a result could negatively impact a Fund's net asset value.

Market Conditions. The 2007-2009 financial crisis in the U.S. and global economies and the ongoing European sovereign debt crisis resulted in an unusually high degree of volatility in the financial markets, both domestic and foreign, and in the net asset values of many investment companies, including to some extent the Funds. A financial crisis of a similar nature in the future may result in fixed-income instruments again experiencing unusual liquidity issues, increased price volatility and, in some cases, credit downgrades and increased likelihood of default. The financial condition of federal, state and local governments may be sensitive to market events, which may, in turn, adversely affect the marketability of notes and bonds they issue. In the event of a general economic downturn, declines in real estate prices and general business activity may reduce tax revenues of many state and local governments and could affect the economic viability of projects that are the sole source of revenue to support various municipal securities. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. As a result, it may be unusually difficult to identify both risks and opportunities using past models of the interplay of market forces, or to predict the duration of unfavorable market conditions.

In response to the 2007-2009 financial crisis and its aftermath and the ongoing European sovereign debt crisis, the U.S. and other governments and the Federal Reserve and certain foreign central banks have taken steps to support the financial markets. Where economic conditions in the United States and elsewhere have been recovering for several years, they are nevertheless perceived in many regards as still fragile. Withdrawal of government support, failure of efforts in response to a future crisis, or investor perception that such efforts are not succeeding could adversely affect the value and liquidity of certain securities. The severity or duration of unfavorable economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations. See [Municipal Securities Market Risk](#).

Inverse Floating Rate Securities Risk. Typically, inverse floating rate securities represent beneficial interests in TOB trusts that hold municipal bonds. See [D. Additional Information About the Investment Policies - Portfolio Investments - Municipal Securities - Inverse Floating Rate Securities](#). In general, income on inverse floating rate securities will decrease when interest rates increase and increase when interest rates decrease. Investments in inverse floating rate securities may subject a Fund to the risks of reduced or eliminated interest payments and losses of principal in respect of the underlying municipal bonds.

In the case of certain TOB trusts, neither the holders of the associated floating rate securities nor the TOB trust itself have recourse to the holder of the inverse floating rate securities for losses on the underlying municipal bonds. In that case, the risk of loss to a Fund generally is limited to its

investment in such securities. However, in certain circumstances and in the Sub-Adviser's discretion, a Fund may enter into a recourse arrangement with the liquidity provider to a TOB trust in the form of a separate shortfall and forbearance agreement by which a Fund will agree to reimburse the liquidity provider for any amounts paid by it under the liquidity facility. A Fund may enter into such recourse agreements: (1) when the liquidity provider to the TOB trust requires such an agreement because the level of leverage in the trust exceeds the level that the liquidity provider is willing to support absent such an agreement; and/or (2) to seek to prevent the liquidity provider from collapsing the trust in the event that the underlying municipal bond held in the trust has declined in value to the point where it may cease to exceed the face amount of outstanding short-term floaters. Such an agreement would require a Fund to reimburse the liquidity provider, among other amounts, upon termination of the TOB trust for the shortfall of the liquidation value of the bonds held in the trust relative to the amount of principal and unpaid interest due to the holders of floating rate securities. In such instances, a Fund may be at risk of loss that exceeds its investment in the inverse floating rate securities.

Inverse floating rate securities may increase or decrease in value at a greater rate than the underlying municipal bonds, which effectively leverages a Fund's investment. As a result, the market value of such securities generally will be more volatile than that of otherwise comparable municipal bonds held on an unleveraged basis outside a TOB trust.

Each Fund may invest in inverse floating rate securities issued by TOB trusts in which the liquidity provider has recourse to the Fund (a recourse TOB trust) to the extent that the value of the bonds deposited in the TOB trust may fall in value below the principal amount of the short-term floating rate securities issued by that trust. The inverse floating rate securities issued by such recourse TOB trusts may be highly leveraged. The structure and degree to which a Fund's inverse floating rate securities are highly leveraged will vary based upon a number of factors, including the size of the trust itself and the terms of the underlying municipal bonds. An inverse floating rate security generally is considered highly leveraged if the ratio of (1) the principal amount of the short-term floating rate securities issued by the TOB trust to (2) the principal amount of that TOB trust's inverse floating rate securities equals or exceeds 3:1. In the event of a significant decline in the value of an underlying municipal bond held in a recourse TOB trust, a Fund may suffer losses in excess of the amount of its investment in the inverse floating securities (typically up to an amount equal to the outstanding face amount of such municipal bonds) as a result of liquidating the trust.

A Fund's investment in inverse floating rate securities will create effective leverage, used in pursuit of increased common share net income and returns. But such effective leverage could reduce common share income (such as if the interest rate paid on the short-term floating rate securities were to exceed the interest rate being received on the municipal bonds underlying the TOB trust, net of trust expenses, for a meaningful period of time), and could also diminish common share long-term returns (such as if the value of the municipal bonds underlying the TOB trust were to decline in value by more than any positive differential between the income being earned on those underlying bonds, net of trust expenses, relative to the interest being paid to the holders of the short-term floating rate securities issued by that trust).

The amount of fees paid to the Adviser (which in turn pays a portion of its fees to the Sub-Adviser) for investment advisory services will be higher when a Fund uses leverage because the advisory fees are calculated based on the Fund's managed assets. This may create an incentive for the Adviser and/or the Sub-Adviser to leverage the Fund.

Inverse floating rate securities have varying degrees of liquidity based, among other things, upon the liquidity of the underlying municipal bonds deposited in the TOB trust.

The leverage attributable to inverse floating rate securities may be called away on relatively short notice and therefore may be less permanent than more traditional forms of leverage. In certain circumstances, the likelihood of an increase in the volatility of net asset value and market price of the common shares may be greater for a fund (like the Funds) that relies primarily on inverse floating rate securities to achieve a desired effective leverage ratio. A Fund may be required to sell its inverse floating rate securities at less than favorable prices or to liquidate other Fund portfolio holdings in certain circumstances, including, but not limited to, the following:

If the Fund has a need to reduce leverage by reducing or eliminating the amount of short-term floating rate securities issued by a TOB trust and the municipal bonds in the TOB trust are not actively trading due to adverse market conditions; or

If the value of an underlying municipal bond declines significantly (to a level below the notional value of the floating rate securities issued by the TOB trust) and if additional collateral has not been posted by the Fund.

There is no assurance that a Fund's strategy of investing in inverse floating rate securities will be successful.

Leverage Risk. Leverage risk is the risk associated with the use of borrowings, the issuance of preferred shares or the use of inverse floating rate securities to leverage the common shares. There can be no assurance that a Fund's leveraging strategy will be successful. Through the use of leverage, each Fund seeks to enhance potential common share earnings over time by typically sourcing leverage with costs based upon short-term interest rates and investing at long-term municipal rates which are typically, although not always, higher. Because the long-term municipal securities in which each Fund invests generally pay fixed rates of interest while the Fund's costs of leverage generally fluctuate with short- to intermediate-term yields, the incremental earnings from leverage will vary over time. However, each Fund may use derivatives, such as interest rate swaps, to fix the effective rate paid on all or a portion of the Fund's leverage in an effort to lower leverage costs over an extended period. The income benefit from leverage will be reduced (increased) to the extent that the difference narrows (widens) between the net earnings on a Fund's portfolio securities and its cost of leverage. If short- or intermediate-term rates rise and a Fund's leverage costs fluctuate, the Fund's cost of leverage could exceed the fixed rate of return on long-term bonds held by the Fund that were acquired during periods of lower interest rates, reducing returns to common shareholders. This could occur even if short- or intermediate-term and long-term municipal rates rise. Because of the costs of leverage, a Fund may incur losses even if the Fund has positive returns if such returns are not sufficient to cover the costs of leverage. Each Fund's cost of leverage includes the interest rate paid on its borrowings or dividends on preferred shares, the expenses relating to the issuance of preferred shares and ongoing maintenance of any borrowings and/or the interest attributable to tender option bonds, as well as any other ongoing fees and expenses associated with those borrowings or preferred shares. Each Fund also bears the one-time costs associated with establishing borrowing facilities, issuing preferred shares and refinancing such leverage. Each Fund may seek to refinance its leverage over time, in the ordinary course, as current forms of leverage mature or it is otherwise desirable to refinance. If a Fund is unable to replace existing leverage on comparable terms, its costs of leverage will increase. Accordingly, there is no assurance that the use of leverage may result in a higher yield or return to common shareholders.

Each Fund's use of leverage also creates incremental common share net asset value risk because the full impact of price changes in the Fund's investment portfolio, including assets attributable to leverage, is borne by common shareholders. This can lead to a greater increase in net asset values in rising markets than if a Fund were not leveraged, but it also can result in a greater decrease in net asset values in declining markets. A Fund's use of leverage similarly can magnify the impact of changing market conditions on common share market prices.

As of April 13, 2018, the leverage effects through reverse repurchase agreements and investments in inverse floating rate securities of tender option bond trusts are included in effective leverage ratios. Prior to April 13, 2018, the Funds employed leverage through borrowings and investments in inverse floating rate securities of tender option bond trusts. Each Fund will pay (and shareholders will bear) any costs and expenses relating to the Fund's use of leverage, which will result in a reduction in the net asset value of the common shares. A Fund may in the future, based on its assessment of market conditions, increase or decrease its level of leverage or change the types of leverage employed. Such changes may impact net investment income and the market value of common shares. There can be no assurance that the Acquiring Fund will maintain the types or levels of leverage historically used by the Acquiring Fund prior to the Merger or that the Acquiring Fund's leverage strategy will be successful.

Each Fund may invest in the securities of other investment companies, which may themselves be leveraged and therefore present similar risks to those described above. See **Other Investment Companies Risk**. In addition, any investment by a Fund in leveraged investment companies would magnify the Fund's leverage risk.

As noted above, the amount of fees paid to the Adviser (which in turn pays a portion of its fees to the Sub-Adviser) for investment advisory services will be higher when a Fund uses financial leverage because the advisory fees are calculated based on the Fund's managed assets—this may create an incentive for the Adviser and/or the Sub-Adviser to leverage the Fund.

Reverse Repurchase Agreement Risk. Reverse repurchase agreements involve the sale of securities held by a Fund with an agreement to repurchase the securities at an agreed-upon price, date and interest payment, and represent borrowings of the Fund. Reverse repurchase agreements involve the risk that the other party to the agreement may fail to return the securities in a timely manner or at all. A Fund could lose money if it is unable to recover the securities and the value of the collateral held by the Fund, including the value of investments made with cash collateral, is less than the value of the securities. These events could also trigger adverse tax consequences to the Fund. The use by a Fund of reverse repurchase agreements involves many of the same risks of leverage since the proceeds derived from such reverse repurchase agreements may be invested in additional securities.

Insurance Risk. Each Fund may purchase municipal securities that are secured by insurance, bank credit agreements or escrow accounts. The credit quality of the companies that provide such credit enhancements will affect the value of those securities. During and following the 2007–2009 financial crisis, certain significant providers of insurance for municipal securities incurred significant losses as a result of exposure to sub-prime mortgages and other lower credit quality investments that experienced defaults or otherwise suffered extreme credit deterioration. Such losses reduced the insurers' capital and called into question their continued ability to perform their obligations under such insurance should they be called upon to do so. While an insured municipal security will typically be deemed to have the rating of its insurer, if the insurer of a municipal security suffers a downgrade in its credit rating or the market discounts the value of the insurance provided by the insurer, the rating of the

underlying municipal security will be more relevant and the value of the municipal security would more closely, if not entirely, reflect such rating. In such a case, the value of insurance associated with a municipal security would decline and may not add any value. The insurance feature of a municipal security does not guarantee the full payment of principal and interest through the life of an insured obligation, the market value of the insured obligation or the net asset value of the common shares represented by such insured obligation.

Tax Risk. To qualify for the favorable U.S. federal income tax treatment generally accorded to regulated investment companies, among other things, each Fund must derive in each taxable year at least 90% of its gross income from certain prescribed sources and satisfy a diversification test on a quarterly basis. If a Fund fails to satisfy the qualifying income or diversification requirements in any taxable year, the Fund may be eligible for relief provisions if the failures are due to reasonable cause and not willful neglect and if a penalty tax is paid with respect to each failure to satisfy the applicable requirements. Additionally, relief is provided for certain *de minimis* failures of the diversification requirements where a Fund corrects the failure within a specified period. In order to be eligible for the relief provisions with respect to a failure to meet the diversification requirements, a Fund may be required to dispose of certain assets. If these relief provisions are not available to a Fund and it fails to qualify for treatment as a regulated investment company, all of its taxable income (including its net capital gains) would be subject to federal income tax at regular corporate rates without any deduction for distributions to shareholders, and all distributions from the Fund would be taxable to shareholders as ordinary dividends to the extent of the Fund's current and accumulated earnings and profits.

Inflation Risk. Inflation is the reduction in the purchasing power of money resulting from the increase in the price of goods and services. Inflation risk is the risk that the inflation-adjusted (or real) value of assets or income from investment will be worth less in the future. As inflation increases, the real value of common shares and distributions can decline. In addition, during any period of rising inflation, interest rates on borrowings would likely increase, which would tend to further reduce returns to common shareholders.

Deflation Risk. Deflation risk is the risk that prices throughout the economy decline over time—the opposite of inflation risk. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Fund's portfolio.

Limited Term Risk. In the event a Fund terminates pursuant to its Contingent Term Provision, the Fund may be required to sell portfolio securities when it otherwise would not, including at times when interest rate or market conditions are not favorable, which may cause the Fund to lose money on its investments. Further, the process of liquidating a Fund's Managed Assets could result in a reduction in the Fund's net investment income and monthly dividend distributions in the last year of the Fund's operations. In addition, in the event a Fund terminates pursuant to the Contingent Term Provision, the Fund's investment objectives and policies are not designed to seek to return to investors who purchase common shares their original investment on the anticipated termination date, and such investors may receive more or less than their original investment upon termination. Following the closing of the Merger, the Acquiring Fund will eliminate its Contingent Term Provision.

Derivatives Risk, Including the Risk of Swaps. A Fund's use of derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in the investments underlying the derivatives, including: the imperfect correlation between the value of such instruments and the underlying assets of the Fund, which creates the possibility that the loss on such instruments

may be greater than the gain in the value of the underlying assets in the Fund's portfolio; the loss of principal; the possible default of the other party to the transaction; and illiquidity of the derivative investments. If a Fund enters into certain derivatives transactions, it could lose more than the principal amount invested. Whether a Fund's use of derivatives is successful will depend on, among other things, if the Adviser and/or the Sub-Adviser correctly forecast market values, interest rates and other applicable factors. If the Adviser and/or the Sub-Adviser incorrectly forecast these and other factors, the investment performance of a Fund will be unfavorably affected.

Each Fund may enter into debt-related derivative instruments including credit default swap contracts and interest rate swaps. Like most derivative instruments, the use of swaps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. In addition, the use of swaps requires an understanding by the Adviser and/or the Sub-Adviser of not only the referenced asset, rate or index, but also of the swap itself. The derivatives markets are subject to a changing regulatory environment. It is possible that regulatory or other developments in the derivatives markets could adversely affect a Fund's ability to successfully use derivative instruments.

Furthermore, derivative investments may be illiquid. Although both OTC and exchange-traded derivatives markets may experience a lack of liquidity, OTC non-standardized derivatives transactions are generally less liquid than exchange-traded instruments. The illiquidity of the derivatives markets may be due to various factors, including congestion, disorderly markets, limitations on deliverable supplies, the participation of speculators, government regulation and intervention, and technical and operational or system failures. In addition, the liquidity of a secondary market in an exchange-traded derivative contract may be adversely affected by daily price fluctuation limits established by the exchanges which limit the amount of fluctuation in an exchange-traded contract price during a single trading day. Once the daily limit has been reached in the contract, no trades may be entered into at a price beyond the limit, thus preventing the liquidation of open positions. Prices have in the past moved beyond the daily limit on a number of consecutive trading days. If it is not possible to close an open derivative position entered into by a Fund, the Fund would continue to be required to make cash payments of variation (or mark-to-market) margin in the event of adverse price movements. In such a situation, if a Fund has insufficient cash, it may have to sell portfolio securities to meet variation margin requirements at a time when it may be disadvantageous to do so. The absence of liquidity may also make it more difficult for a Fund to ascertain a market value for such instruments. The inability to close futures or derivatives positions also could have an adverse impact on a Fund's ability to effectively hedge its portfolio.

Derivatives Regulatory Risk. Future regulatory developments could impact a Fund's ability to invest in certain derivatives. It is possible that government regulation of various types of derivative instruments, including futures, options and swap agreements, may limit or prevent a Fund from using such instruments as a part of its investment strategies, and could ultimately prevent the Fund from being able to achieve its investment objectives. It is impossible to fully predict the effects of past, present or future legislation and regulation in this area, but the effects could be substantial and adverse. There is a likelihood of future regulatory developments altering, perhaps to a material extent, the nature of an investment in a Fund or the ability of the Fund to continue to implement its investment strategies. It is possible that legislative and regulatory activity could limit or restrict the ability of a Fund to use certain instruments as a part of its investment strategies. Limits or restrictions applicable to the counterparties with which a Fund engages in derivatives transactions (for example, the Volcker Rule) could also prevent the Fund from using certain instruments.

The Dodd-Frank Act sets forth a regulatory framework for OTC derivatives, including financial instruments, such as swaps, in which each Fund may invest. The Dodd-Frank Act grants significant authority to the SEC and the CFTC to regulate OTC derivatives and market participants and requires clearing and exchange trading of many current OTC derivatives transactions. The implementation of the provisions of the Dodd-Frank Act by the SEC and the CFTC could adversely affect a Fund's ability to pursue its investment strategies. The Dodd-Frank Act and the rules promulgated thereunder could, among other things, adversely affect the value of the investments held by a Fund, restrict the Fund's ability to engage in derivatives transactions and/or increase the costs of such derivatives transactions.

Further, in February 2012, the CFTC issued a final rule rescinding and amending certain exemptions from registration requirements under the U.S. Commodity Exchange Act, as amended (the "CEA"), previously available to investment advisers registered with the SEC under the 1940 Act, including the exemption available under CFTC Rule 4.5. In the event that a Fund's investments in derivative instruments regulated under the CEA, including futures, swaps and options, exceed a certain threshold, the Adviser and/or the Sub-Adviser may be required to register as a commodity pool operator and/or a commodity trading advisor with the CFTC. In the event the Adviser and/or the Sub-Adviser is required to register with the CFTC, it will become subject to additional recordkeeping and reporting requirements with respect to the Fund, which may increase the Fund's expenses.

Clearing Broker and Central Clearing Counterparty Risk. The CEA requires swaps and futures clearing brokers registered as futures commission merchants to segregate all funds received from customers with respect to any orders for the purchase or sale of U.S. domestic futures contracts and cleared swaps from the brokers' proprietary assets. Similarly, the CEA requires each futures commission merchant to hold in a separate secure account all funds received from customers with respect to any orders for the purchase or sale of foreign futures contracts and segregate any such funds from the funds received with respect to domestic futures contracts. However, all funds and other property received by a clearing broker from its customers are held by the clearing broker on a commingled basis in an omnibus account and may be freely accessed by the clearing broker, which may also invest any such funds in certain instruments permitted under the applicable regulation. There is a risk that assets deposited by a Fund with any swaps or futures clearing broker as margin for futures contracts or cleared swaps may, in certain circumstances, be used to satisfy losses of other clients of the Fund's clearing broker. In addition, the assets of a Fund might not be fully protected in the event of the bankruptcy of the Fund's clearing broker because the Fund would be limited to recovering only a pro rata share of all available funds segregated on behalf of the clearing broker's combined domestic customer accounts.

Similarly, the CEA requires a clearing organization approved by the CFTC as a derivatives clearing organization to segregate all funds and other property received from a clearing member's clients in connection with domestic cleared futures and derivative contracts from any funds held at the clearing organization to support the clearing member's proprietary trading. Nevertheless, all customer funds held at a clearing organization in connection with any futures and derivative contracts are held in a commingled omnibus account and are not identified to the name of the clearing member's individual customers. With respect to futures and options contracts, a clearing organization may use assets of a non-defaulting customer held in an omnibus account at the clearing organization to satisfy payment obligations of a defaulting customer of the clearing member to the clearing organization. As a result, in the event of a default of the clearing broker's other clients or the clearing broker's failure to extend its own funds in connection with any such default, a Fund would not be able to recover the full amount of assets deposited by the clearing broker on behalf of the Fund with the clearing organization.

Hedging Risk. A Fund's use of derivatives or other transactions to reduce risk involves costs and will be subject to the Adviser's and/or the Sub-Adviser's ability to predict correctly changes in the relationships of such hedge instruments to the Fund's portfolio holdings or other factors. No assurance can be given that the Adviser's and/or the Sub-Adviser's judgment in this respect will be correct, and no assurance can be given that a Fund will enter into hedging or other transactions at times or under circumstances in which it may be advisable to do so. Hedging activities may reduce a Fund's opportunities for gain by offsetting the positive effects of favorable price movements and may result in net losses.

Other Investment Companies Risk. An investment in the securities of another investment company will expose a Fund to the risks of investing in the securities held in such other investment company's portfolio. In addition, a Fund's shareholders will bear their proportionate share of the fees and expenses of such other investment company in addition to the fees and expenses of the Fund. The securities of other investment companies may also be leveraged. As a result, a Fund may be indirectly exposed to leverage through an investment in such securities. Utilization of leverage is a speculative investment technique and involves certain risks. An investment in securities of other investment companies that are leveraged may expose a Fund to higher volatility in the market value of such securities and the possibility that the Fund's long-term returns on such securities will be diminished.

Counterparty Risk. Changes in the credit quality of the companies that serve as a Fund's counterparties with respect to derivatives, insured municipal securities or other transactions supported by another party's credit will affect the value of those instruments. Certain entities that have served as counterparties in the markets for these transactions have incurred or may incur in the future significant financial hardships including bankruptcy and losses as a result of exposure to sub-prime mortgages and other lower-quality credit investments that have experienced recent defaults or otherwise suffered extreme credit deterioration. As a result, such hardships have reduced these entities' capital and called into question their continued ability to perform their obligations under such transactions. By using such derivatives or other transactions, a Fund assumes the risk that its counterparties could experience similar financial hardships. In the event of the insolvency of a counterparty, a Fund may sustain losses or be unable to liquidate a derivatives position.

Illiquid Securities Risk. Illiquid securities are securities that are not readily marketable and may include restricted securities, which are securities that may not be resold unless they have been registered under the Securities Act of 1933, as amended (the Securities Act), or that can be sold in a private transaction pursuant to an available exemption from such registration. Illiquid securities involve the risk that the securities will not be able to be sold at the time desired by a Fund or at prices approximating the value at which the Fund is carrying the securities on its books from time to time.

Market Disruption Risk. Certain events have a disruptive effect on the securities markets, such as terrorist attacks, war and other geopolitical events. The Funds cannot predict the effects of similar events in the future on the U.S. economy. Below-investment-grade securities tend to be more volatile than higher rated securities, meaning that these events and any actions resulting from them may have a greater impact on the prices and volatility of below-investment-grade securities than on higher rated securities.

Municipal Bond Market Liquidity Risk. Inventories of municipal bonds held by brokers and dealers have decreased in recent years, lessening their ability to make a market in these securities. This reduction in market making capacity has the potential to decrease a Fund's ability to buy or sell bonds,

and increase bond price volatility and trading costs, particularly during periods of economic or market stress. In addition, recent changes to federal banking regulations may cause certain dealers to reduce their inventories of municipal bonds, which may further decrease a Fund's ability to buy or sell bonds. As a result, a Fund may be forced to accept a lower price to sell a security, to sell other securities to raise cash, or to give up an investment opportunity, any of which could have a negative effect on performance. If a Fund needed to sell large blocks of bonds, those sales could further reduce the bonds' prices and hurt performance.

Income Risk. Each Fund's income is based primarily on the interest it earns from its investments, which can vary widely over the short term and long term. If interest rates drop, a Fund's income available over time to make dividend payments could drop as well if the Fund purchases securities with lower interest coupons.

Call Risk or Prepayment Risk. During periods of declining interest rates or for other purposes, issuers of callable bonds with higher interest coupons may exercise their option to call (or prepay) bonds before their maturity date, forcing a Fund to reinvest in lower yielding securities.

Reinvestment Risk. Reinvestment risk is the risk that the income from a Fund's portfolio will decline if and when the Fund invests the proceeds from matured, traded or called bonds at market interest rates that are below the current earnings rate of the Fund's portfolio. A decline in income could affect the ability of a Fund to pay dividends on its common shares, as well as the common shares' market price or overall returns.

Cybersecurity Risk. Technology, such as the Internet, has become more prevalent in the course of business, and as such, each Fund and its service providers are susceptible to operational and information security risk resulting from cyber incidents. Cyber incidents refer to both intentional attacks and unintentional events including: processing errors, human errors, technical errors including computer glitches and system malfunctions, inadequate or failed internal or external processes, market-wide technical-related disruptions, unauthorized access to digital systems (through hacking or malicious software coding), computer viruses, and cyber-attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality (including denial of service attacks). Cyber incidents could adversely impact a Fund and cause the Fund to incur financial loss and expense, as well as face exposure to regulatory penalties, reputational damage, and additional compliance costs associated with corrective measures. Cyber incidents may cause a Fund or its service providers to lose proprietary information, suffer data corruption, lose operational capacity or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, cyber incidents also may result in theft, unauthorized monitoring and failures in the physical infrastructure or operating systems that support a Fund and its service providers. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While the Funds' service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, a Fund cannot control the cybersecurity plans and systems put in place by its service providers or any other third parties whose operations may affect the Fund.

Certain Affiliations. Certain broker-dealers may be considered to be affiliated persons of the Funds, the Adviser, the Sub-Adviser, Nuveen Investments and/or TIAA. Absent an exemption from the SEC or other regulatory relief, each Fund generally is precluded from effecting certain principal

transactions with affiliated brokers, and its ability to purchase securities being underwritten by an affiliated broker or a syndicate including an affiliated broker, or to utilize affiliated brokers for agency transactions, is subject to restrictions. This could limit a Fund's ability to engage in securities transactions and take advantage of market opportunities.

Anti-Takeover Provisions. Each Fund's organizational documents include provisions that could limit the ability of other entities or persons to acquire control of the Fund or convert the Fund to open-end status.

C. INFORMATION ABOUT THE MERGER

General

Each Fund's Board has determined that the Merger would be in the best interests of its Fund. As a result of the Merger, the assets of the Funds will be combined, and the shareholders of the Target Fund will become shareholders of the Acquiring Fund. Each Fund's Board considered the Merger as part of an ongoing initiative to rationalize the product offerings of Nuveen funds and eliminate overlapping products. As noted above, the Merger will eliminate overlapping products by combining two funds that have the same investment adviser, sub-adviser and portfolio managers, the same investment objectives and substantially identical investment policies, risks and, at present, portfolio compositions. As more fully described below, the Merger is intended to benefit shareholders in a number of ways, including continued exposure to each Fund's portfolio of scarce BABs with above-market purchase yields relative to current taxable municipal bond yields and avoidance of sizeable taxable capital gain distributions in connection with a termination of the Funds. The proposed elimination of the term structure, combined with the expanded investment mandate, would allow the Acquiring Fund's portfolio managers to retain less liquid, higher yielding securities as well as pursue attractive investment opportunities across the taxable municipal bond market without regard to liquidity at the termination date. Over time, Nuveen Fund Advisors believes such flexibility should enhance common share net earnings and distribution potential.

Based on information provided by the Adviser, the Merger is intended to benefit Fund shareholders in a number of ways, including, among other things:

Lower operating expenses per common share for each Fund through economies of scale, which are expected to offset the Merger-related expenses borne by each Fund over time, and may support higher common share net earnings and potentially higher distribution rates over time;

Improved secondary market trading for common shares as a result of the combined fund's greater share volume, which may lead to narrower bid-ask spreads and smaller trade-to-trade price movements and, over time, narrower trading discounts relative to net asset value; and

Increased portfolio and leverage management flexibility due to the larger asset base of the combined fund.

The closing of the Merger is subject to the satisfaction or waiver of certain closing conditions, which include customary closing conditions. Both the Target Fund's and Acquiring Fund's

shareholders are voting on items whose approval is necessary for the Merger to go forward. Additionally, the closing of the Merger is contingent on shareholders of the Acquiring Fund approving the elimination of the Acquiring Fund's Contingent Term Provision. (See Proposal No. 3 Approval of Elimination of Fundamental Policy of the Acquiring Fund.) In order for the Merger to occur, the requisite shareholder approval of the Merger proposals (Proposal Nos. 1 and 2) and Proposal No. 3 must be obtained at the applicable Fund's annual meeting. Because the closing of the Merger is contingent upon each of the Target Fund and the Acquiring Fund obtaining such shareholder approvals and satisfying (or obtaining the waiver of) other closing conditions, it is possible that the Merger will not occur, even if Target Fund shareholders entitled to vote on the Merger proposal approve such proposal and the Target Fund satisfies all of its closing conditions, if the Acquiring Fund does not obtain the requisite shareholder approvals or satisfy (or obtain the waiver of) its closing conditions. If the Merger is not consummated, the Target Fund's Board may take such actions as it deems in the best interests of the Fund, including continuing to operate the Target Fund as a stand-alone fund through its termination date or seeking shareholder approval to eliminate its Contingent Term Provision at a subsequent meeting. If Proposal No. 3 is approved by shareholders of the Acquiring Fund, the Acquiring Fund's Contingent Term Provision will be eliminated, regardless of whether or not the Merger is completed.

Terms of the Merger

General. The Agreement and Plan of Merger by and among the Acquiring Fund, the Target Fund and the Merger Sub, in the form attached as Appendix A to this Joint Proxy Statement/Prospectus, sets forth the terms of the Merger and provides for the Target Fund to merge with and into the Merger Sub, a Massachusetts limited liability company and a wholly-owned subsidiary of the Acquiring Fund, with shares of the Target Fund being converted into newly issued common shares, par value \$0.01 per share, of the Acquiring Fund (with cash being distributed in lieu of any fractional Acquiring Fund common shares). As soon as practicable following the completion of the Merger, the Merger Sub will distribute its assets to the Acquiring Fund, and the Acquiring Fund will assume the liabilities of the Merger Sub, in complete liquidation and dissolution of the Merger Sub under Massachusetts law. The Merger Sub has been formed for the sole purpose of consummating the Merger and the Merger Sub will not commence operations prior to the closing of the Merger, except as necessary to facilitate the Merger.

As a result of the Merger, the assets of the Target Fund and the Acquiring Fund will be combined, and the shareholders of the Target Fund will become shareholders of the Acquiring Fund, which will continue to operate after the Merger as a registered closed-end management investment company, with the investment objective and policies described in this Joint Proxy Statement/Prospectus.

If the conditions to closing the Merger are satisfied or waived, the Merger is expected to take effect on or about August 6, 2018, or such other date as the parties may agree (the Closing Date). Following the Merger, the Target Fund will terminate its registration as an investment company under the 1940 Act.

The aggregate net asset value, as of the Valuation Time (as defined below), of the Acquiring Fund common shares received by each Target Fund shareholder in connection with the Merger will equal the aggregate net asset value of the Target Fund common shares held by such shareholder of the Target Fund as of the Valuation Time. However, no fractional Acquiring Fund common shares will be distributed to the Target Fund's shareholders in connection with the Merger. The Acquiring Fund's transfer agent will aggregate all fractional Acquiring Fund common shares that may be due to Target

Fund shareholders as of the Closing Date and will sell the resulting whole shares for the account of holders of all such fractional interests at a value that may be higher or lower than net asset value, and each such holder will be entitled to a pro rata share of the proceeds from such sale. With respect to the aggregation and sale of fractional shares, the Acquiring Fund's transfer agent will act directly on behalf of the shareholders entitled to receive fractional shares and will accumulate fractional common shares, sell the shares and distribute the cash proceeds net of brokerage commissions, if any, directly to shareholders entitled to receive the fractional shares (without interest and subject to withholding taxes). For federal income tax purposes, shareholders will be treated as if they received fractional share interests and then sold such interests for cash. The holding period and the aggregate tax basis of the Acquiring Fund shares received by a shareholder, including fractional share interests deemed received by a shareholder, will be the same as the holding period and aggregate tax basis of the Target Fund common shares previously held by the shareholder that were converted into such Acquiring Fund shares, provided the Target Fund shares were held as capital assets at the effective time of the Merger.

Valuation of Shares. Pursuant to the Agreement, the net asset value per share of the Target Fund and the Acquiring Fund shall be computed as of the close of regular trading on the NYSE on the business day immediately prior to the Closing Date (such time and date being hereinafter called the Valuation Time) using the valuation procedures of the Nuveen closed-end funds or such other valuation procedures as will be mutually agreed upon by the parties (and approved by the Board of the Target Fund and the Board of the Acquiring Fund).

Acquiring Fund Common Shares to be Issued. At the effective time of the closing (the Effective Time), each Target Fund common share outstanding immediately prior to the Effective Time shall be converted into a number of Acquiring Fund common shares equal to one multiplied by the quotient of the net asset value per share of the Target Fund divided by the net asset value per share of the Acquiring Fund.

Distributions. Undistributed net investment income represents net earnings from a Fund's investment portfolio that over time have not been distributed to shareholders. Under the terms of the Agreement, if the Target Fund has undistributed net investment income or undistributed net capital gains, the Target Fund is required to declare a dividend or dividends, which, together with all previous dividends, has the effect of distributing to its shareholders at least all of the undistributed net investment company taxable income and undistributed realized net capital gains (after reduction by any available capital loss carryforwards and excluding any net capital gain on which the Target Fund paid tax under Section 852(b)(3)(A) of the Code) for all taxable periods ending on or before the Closing Date. The Acquiring Fund is not subject to a similar distribution requirement. Consequently, Target Fund shareholders effectively will purchase a pro rata portion of the Acquiring Fund's remaining undistributed net investment income and undistributed realized net capital gains, if any, which may be more or less than the Target Fund's undistributed net investment income and undistributed realized net capital gains immediately preceding the distributions described above, if any. As a result, the Acquiring Fund's existing shareholders will experience a corresponding reduction in their respective portion of undistributed net investment income and undistributed realized net capital gains per share, if any, such that the Acquiring Fund's undistributed net investment income and undistributed realized net capital gains per share immediately following the Merger is expected to be less than the Acquiring Fund's undistributed net investment income and undistributed realized net capital gains per share immediately preceding the Merger.

Amendments. Under the terms of the Agreement, the Agreement may be amended, modified or supplemented in such manner as may be mutually agreed upon in writing by the officers of each Fund subject to the prior review of each Fund's counsel and authorization of each Fund's Board; provided, however, that following the receipt of shareholder approval of the Agreement at the Target Fund's Annual Meeting, no such amendment, modification or supplement may have the effect of changing the provisions for determining the number of Acquiring Fund common shares to be issued to Target Fund shareholders under the Agreement to the detriment of such shareholders without their further approval.

Conditions. Under the terms of the Agreement, the closing of the Merger is subject to the satisfaction or waiver of the following closing conditions, among others: (1) the requisite approval by the shareholders of each Fund of the applicable proposal with respect to the Merger in this Joint Proxy Statement/Prospectus, (2) shareholders of the Acquiring Fund approving the elimination of the Acquiring Fund's Contingent Term Provision, (3) each Fund's receipt of an opinion substantially to the effect that the Merger will qualify as a reorganization under the Code (see Material Federal Income Tax Consequences of the Merger), (4) the absence of legal proceedings challenging the Merger, and (5) the Funds' receipt of certain customary certificates and legal opinions.

Termination. The Agreement may be terminated by the mutual agreement of the parties and such termination may be effected by each Fund's Chief Administrative Officer or a Vice President without further action by each Fund's Board. In addition, either Fund may at its option terminate the Agreement at or before the closing due to: (1) a breach by the other party of any representation, warranty or agreement contained therein to be performed at or before the closing, if not cured within 30 days of the breach and prior to the closing; (2) a condition precedent to the obligations of the terminating party that has not been met and it reasonably appears it will not or cannot be met; or (3) a determination by its Board that the consummation of the transactions contemplated by the Agreement is not in the best interests of the Fund.

Reasons for the Merger Considerations of the Funds' Boards

Based on the considerations below, the Board of each Fund, including its independent Board Members, has determined that the Merger would be in the best interests of its respective Fund and that the interests of the existing shareholders of such Fund would not be diluted as a result of the Merger. At a meeting held on February 27, 2018 – March 1, 2018 (the Meeting), the Board of each Fund approved the Merger and the Board of the Target Fund recommended that shareholders of the Target Fund approve the Merger.

The Merger is intended to eliminate certain overlapping products and provide certain benefits to shareholders of the Funds, including the continual exposure to Build America Bonds (i.e., BABs) with above-market purchase yields relative to current taxable municipal bond yields and avoidance of potentially sizeable taxable capital gain distributions that may result if the Funds terminated in accordance with their current policies.

At the Meeting and at a prior meeting, the Adviser had made presentations, and the Boards had received a variety of materials relating to the Merger, including the rationale therefor. Prior to approving the Merger, the independent Board Members of each Board reviewed the foregoing information with their independent legal counsel and with management, reviewed with independent legal counsel applicable law and their duties in considering such matters and met with independent

legal counsel in private sessions without management present. The Boards considered a number of principal factors in reaching their determinations, including, among other things, the following:

the compatibility of the Funds' investment objectives, policies and related risks;

the consistency of portfolio management;

the potential for improved economies of scale over time and the effect on fees, total expenses and distributions with respect to the Funds;

the potential for improved secondary market trading with respect to the common shares of the respective Fund;

the anticipated federal income tax-free nature of the Merger;

the expected costs of the Merger;

the terms of the Merger and whether the Merger would dilute the interests of existing shareholders of the Funds;

the effect of the Merger on shareholder rights; and

any potential benefits of the Merger to the Adviser and its affiliates as a result of the Merger.

Compatibility of Investment Objectives, Policies and Related Risks. In comparing the Funds, the Boards recognized that the Funds have the same investment objectives and substantially identical policies and risks. The Boards recognized that each Fund's primary investment objective was to provide current income through investments in taxable municipal securities and as a secondary objective, to enhance portfolio value and total return. Each Fund further seeks to achieve its investment objectives by investing primarily in a diversified portfolio of BABs. Each Fund also utilized leverage. The Boards considered the portfolio compositions of the Funds and the impact that the Merger would have on their respective Fund's portfolio, including any shifts in credit ratings, yield and leverage costs. Given the similar portfolio compositions, the Boards recognized that the Adviser anticipated minimal repositioning of the Target Fund's portfolio in connection with the Merger. The Boards further recognized that because the Funds have the same investment objectives and substantially identical investment policies and portfolio compositions, the principal risks of an investment in each Fund were similar.

In addition to the above, the Boards noted that both Funds were currently term funds. More specifically, because of the uncertainty regarding the continued issuance of BABs at the time of the Funds' inception as well as the prospects for the taxable municipal bond market more generally, the Funds each adopted a fundamental policy to terminate as of a specified date if there were no new issuances of BABs or other taxable municipal securities with U.S. Treasury subsidized interest payments over a specified time period (i.e., the Contingent Term Provisions). Because BABs stopped being issued, the Funds became term funds with the Target Fund scheduled to terminate on December 31, 2020 and the Acquiring Fund on June 30, 2020. The Boards noted that the BABs were a unique asset class that were relatively scarce and provided above-market purchase yields relative to traditional taxable bonds. The Boards further recognized that the Merger coupled with the removal of the Acquiring Fund's Contingent Term Provision would permit the combined fund to continue perpetually and allow long term

shareholders (including former Target Fund shareholders who become shareholders of the combined fund following the Merger) to continue their exposure to BABs with their above-market yields and defer potentially sizeable capital gain distributions if the Funds were to terminate. In addition, the Board of the Acquiring Fund also approved a broader taxable municipal investment mandate changing such Fund's policy of investing at least 80% of its Managed Assets in BABs to a policy of investing at least 80% of its Assets in taxable municipal bonds to take effect after the Merger if consummated or if the Merger is not approved, after the elimination of the Acquiring Fund's Contingent Term Provision if approved. The Boards noted that the elimination of the Contingent Term Provision on the Acquiring Fund and its adoption of the expanded investment mandate should allow the portfolio managers of the combined fund to retain less liquid, higher yielding securities as well as pursue attractive investment opportunities across the taxable municipal bond market without regard to having the liquidity required at a termination date. The revised mandate and the larger asset base of the combined fund should also increase the flexibility for portfolio and leverage management.

However, the independent Board Members of each Board also recognized that the Merger and the elimination of the Acquiring Fund's Contingent Term Provision would result in shareholders forgoing the opportunity to liquidate their shares in the Funds at their net asset value if the Funds were terminated pursuant to their respective Contingent Term Provision. While some shareholders may want the continued investment exposure to BABs with above-market purchase yields, the Boards considered that other shareholders in their respective Funds who had been attracted to the Funds' Contingent Term Provisions may want to have the opportunity to receive their net asset value at termination pursuant to such provisions. In weighing these competing interests among shareholders, the independent Board Members of the Acquiring Fund determined to offer a tender offer for 20% of the outstanding common shares of the combined fund following the Merger. If the Merger is approved and the Acquiring Fund's Contingent Term Provision is eliminated, the tender offer would provide shareholders of the combined fund (including, the former shareholders of the Target Fund who become shareholders of the Acquiring Fund following the Merger) with an opportunity for liquidity at net asset value (less a customary repurchase fee) on a portion of their investment. If the Merger is not approved but the Acquiring Fund's Contingent Term Provision is eliminated, the Acquiring Fund would still offer the tender offer to its shareholders. In either case, however, the tender offer would be contingent on the common shares of the Acquiring Fund trading below net asset value on average over the 10-trading day period preceding the Acquiring Fund's announcement of the tender offer (the *Below NAV Requirement*).

Consistency of Portfolio Management. The Target Fund's Board noted that each Fund had the same investment adviser, sub-adviser and same portfolio managers who will continue to be responsible for the daily management of the combined fund following the Merger.

Potential for Improved Economies of Scale over Time and Effect on Fees, Total Expenses and Distributions. The Boards considered the fees and expense ratios of each of the Funds, including the estimated expenses of the combined fund following the Merger, the costs of leverage between the Funds and the impact of the Merger on such costs, including after the tender offer. The Boards recognized that the Merger was intended to result in a lower effective management fee rate based on average daily Managed Assets for each Fund and that it was estimated that the operating expenses per common share (*i.e.*, total expenses excluding the costs of leverage) of the combined fund would be lower than those of each Fund prior to the closing of the Merger. Moreover, the Boards considered that the Merger, expanded investment mandate of the combined fund and expense savings may support higher common share net earnings and potentially higher distribution rates over time.

Potential for Improved Secondary Market Trading with Respect to the Common Shares. While it is not possible to predict trading levels following the Merger, the Boards noted that a potential benefit of the Merger may be improved secondary market trading prices relative to net asset value with respect to common shares as a result of the combined fund's anticipated greater share volume.

Anticipated Tax-Free Merger; Capital Loss Carryforwards. The Merger will be structured with the intention that it qualifies as a tax-free reorganization for federal income tax purposes, and the Funds will obtain an opinion of counsel substantially to this effect (based on certain factual representations and certain customary assumptions). In addition, the Boards considered the impact of the Merger on any estimated capital loss carryforwards of the Target Fund and applicable limitations of federal income tax law.

Expected Costs of the Merger. The Boards considered the terms and conditions of the Agreement and Plan of Merger, including the estimated costs associated with the Merger and the allocation of such costs between the Funds. The Boards noted that the allocation of the costs of the Merger would be based on the relative expected benefits of the Merger during the average holding period of shareholders of each Fund.

Terms of the Merger and Impact on Shareholders. The terms of the Merger were intended to avoid dilution of the interests with respect to net asset value of the existing shareholders of the Funds. In this regard, the Boards considered that each holder of common shares of the Target Fund will receive common shares of the Acquiring Fund (taking into account any fractional shares to which the shareholder would be entitled) equal in net asset value as of the Valuation Time to the aggregate per share net asset value of that shareholder's Target Fund common shares held as of the Valuation Time. No fractional common shares of the Acquiring Fund, however, will be distributed to Target Fund common shareholders in connection with the Merger and, in lieu of such fractional shares, Target Fund common shareholders will receive cash.

Effect on Shareholder Rights. The Boards considered that each of the Funds is organized as a Massachusetts business trust. In this regard, there will be no change to Target Fund shareholder rights under state statutory law.

Alternatives. The Boards considered alternatives to the Merger, including permitting the Funds to terminate in accordance with their Contingent Term Provisions. As noted above, the Boards recognized that some of their shareholders may want the opportunity to liquidate their shares at net asset value at the respective Fund's termination. However, the Boards also recognized that other shareholders in the Funds may want the respective Fund to continue in existence to maintain their investment exposure to BABs with their above-market purchase yields and to defer potentially large capital gain distributions that would result in connection with a termination of the Fund. Further, as the current portfolios generate a higher proportion of their total return from income relative to the same portfolios at current yields, the Funds may be still particularly attractive to income-oriented closed-end fund investors. The Board Members of the Funds further weighed pro forma estimates of the costs of losing the incremental return from receiving net asset value at termination compared to the benefits of avoiding lost earnings due to reinvestments in a similar portfolio at the current lower yields. The Board Members recognized that the Adviser believed the incremental income from the BABs' above-market purchase yields along with the deferral of capital gain distributions over time more than offsets the forgone additional after-tax return from receiving net asset value at termination. In consideration of the foregoing, among other things, the Boards approved the Merger and the Board of the Acquiring Fund.

approved the tender offer. If the Merger and elimination of the Acquiring Fund's Contingent Term Provision are approved, then subject to the Below NAV Requirement, the tender offer of the combined fund would provide an opportunity for shareholders (including former Target Fund shareholders who become shareholders of the Acquiring Fund following the Merger) to liquidate a portion of their investment in the combined fund at net asset value (less a customary repurchase fee).

Potential Benefits to Nuveen Fund Advisors and Affiliates. The Boards recognized that the elimination of the Acquiring Fund's Contingent Term Provision makes the Acquiring Fund a perpetual fund. If approved, the Acquiring Fund would become a perpetual fund and therefore, the Adviser would continue to earn a management fee on the Acquiring Fund. Further, if the Merger is completed and the Acquiring Fund is a perpetual fund, the Adviser would continue to earn its management fees on the larger asset base. In response to a request for supplemental information regarding the management fee of the combined fund, the Boards considered that the combined fund's contractual fee rate was below the median contractual fee rate of its peer group of funds provided by an independent data provider at a prior meeting and the combined fund's effective management fee rate was also in line with the effective management fee rates of certain competitor taxable municipal closed-end funds. In addition to the continuation of management fees for the Adviser, the Boards also considered other benefits including, for example, a reduction in the level of operational expenses incurred for administrative, compliance and portfolio management services as a result of the elimination of the Target Fund as a separate fund in the Nuveen complex.

Conclusion. Each Board, including its independent Board Members, approved the Merger, concluding that the Merger is in the best interests of its respective Fund and that the interests of existing shareholders of its Fund will not be diluted as a result of the Merger.

Capitalization

The following table sets forth the unaudited capitalization of the Funds as of September 30, 2017 and the pro-forma combined capitalization of the combined fund as if the Merger had occurred on that date. The table reflects pro forma exchange ratios of approximately 1.04399020 shares of the Acquiring Fund issued for each share of the Target Fund. If the Merger is consummated, the actual exchange ratios may vary.

	Target Fund	Acquiring Fund	Pro Forma Adjustments	Nuveen Taxable Municipal Income Fund Pro Forma ⁽¹⁾⁽²⁾
Shareholders Equity:				
Common shares, \$0.01 par value per common share; 7,205,250 shares outstanding for the Target Fund; 26,461,985 common shares outstanding for the Acquiring Fund; and 33,984,200 common shares outstanding for Nuveen Taxable Municipal Income Fund Pro Forma	\$ 72,053	\$ 264,620	\$ 3,169 ⁽³⁾	\$ 339,842
Paid-in surplus	137,235,390	504,137,905	(843,169) ⁽⁴⁾	640,530,126
Undistributed (over-distribution of) net investment income	(894,194)	(5,677,300)		(6,571,494)
Accumulated net realized gain (loss)	(12,270,659)	(6,457,660)		(18,728,319)
Net unrealized appreciation (depreciation)	42,575,582	94,000,001		136,575,583
Net assets	\$ 166,718,172	\$ 586,267,566	\$ (840,000)	\$ 752,145,738
Net asset value per share outstanding (net assets, divided by shares outstanding)	\$ 23.14	\$ 22.16		\$ 22.13
Authorized shares:	unlimited	unlimited		unlimited

- (1) The pro forma balances are presented as if the Merger were effective as of September 30, 2017 and are presented for informational purposes only. The actual Closing Date of the Merger is expected to be on or about August 6, 2018, or such later time agreed to by the parties at which time the results would be reflective of the actual composition of shareholders' equity as of that date. All pro forma adjustments are directly attributable to the Merger.
- (2) Following the elimination of the Acquiring Fund's Contingent Term Provision, the Acquiring Fund will change its name to Nuveen Taxable Municipal Income Fund.
- (3) Assumes the issuance of 7,522,215 common shares of the Acquiring Fund to the common shareholders of the Target Fund. These numbers are based on the net asset values of the Funds as of September 30, 2017, adjusted for estimated Merger costs.
- (4) Includes the impact of estimated total Merger costs of \$840,000, which are currently expected to be borne by the Target Fund and the Acquiring Fund in the amounts of \$235,000 and \$605,000, respectively.

Expenses Associated with the Merger

In evaluating the Merger, management of the Funds estimated the amount of expenses the Funds would incur to be approximately \$840,000 which includes additional stock exchange listing fees, SEC registration fees, legal and accounting fees, proxy solicitation and distribution costs and other related administrative or operational costs. The expenses of the Merger (whether or not consummated) will be allocated between the Funds ratably based on the relative expected benefits of the Merger during the average holding period of shareholders of each Fund for the trailing 12 months ended September 30, 2017 (21.5 months and 17.0 months for the Target Fund and Acquiring Fund, respectively). The expected benefits of the Merger are described in the second paragraph under C. Information About the Merger General above. Merger expenses have been or will be reflected in each Fund's net asset value at or before the close of trading on the business day immediately prior to the close of the Merger. These estimated expenses are currently expected to be borne by the Target Fund and the Acquiring Fund in the amounts of \$235,000 (0.14%) and \$605,000 (0.10%) (all percentages are based on average net assets attributable to common shares for the six-month semi-annual period ended September 30, 2017), respectively.

Additional solicitation may be made by letter or telephone by officers or employees of Nuveen or the Adviser, or by dealers and their representatives. The Funds have engaged Computershare Fund Services to assist in the solicitation of proxies at an estimated aggregate cost of \$10,500 per Fund plus reasonable expenses, which is included in the foregoing estimate.

Dissenting Shareholders' Rights of Appraisal

Under the charter documents of each Fund, shareholders do not have dissenters' rights of appraisal with respect to the Merger.

Material Federal Income Tax Consequences of the Merger

As a condition to each Fund's obligation to consummate the Merger, each Fund will receive a tax opinion from Vedder Price P.C. (which opinion will be based on certain factual representations and certain customary assumptions) with respect to the Merger substantially to the effect that, on the basis of the existing provisions of the Code, current administrative rules and court decisions, for federal income tax purposes:

1. The merger of the Target Fund with and into the Merger Sub pursuant to applicable state laws will constitute a reorganization within the meaning of Section 368(a) of the Code, and the Target Fund and the Acquiring Fund will each be a party to a reorganization, within the meaning of Section 368(b) of the Code, with respect to the merger.

2. No gain or loss will be recognized by the Acquiring Fund or the Merger Sub upon the merger of the Target Fund with and into the Merger Sub pursuant to applicable state laws or upon the liquidation of the Merger Sub.
3. No gain or loss will be recognized by the Target Fund upon the merger of the Target Fund with and into the Merger Sub pursuant to applicable state laws.
4. No gain or loss will be recognized by the Target Fund shareholders upon the conversion of all their Target Fund shares solely into Acquiring Fund common shares in the merger of the Target Fund with and into the Merger Sub pursuant to applicable state laws, except to the extent the Target Fund shareholders receive cash in lieu of a fractional Acquiring Fund common share.
5. The aggregate basis of the Acquiring Fund common shares received by each Target Fund shareholder pursuant to the merger (including any fractional Acquiring Fund common share to which a Target Fund shareholder would be entitled) will be the same as the aggregate basis of the Target Fund common shares converted into such Acquiring Fund common shares.
6. The holding period of the Acquiring Fund common shares received by each Target Fund shareholder in the merger (including any fractional Acquiring Fund common share to which a Target Fund shareholder would be entitled) will include the period during which the Target Fund shares that were converted into Acquiring Fund shares were held by such shareholder, provided such Target Fund shares are held as capital assets at the effective time of the merger.
7. The basis of the assets of the Target Fund received by the Merger Sub will be the same as the basis of such assets in the hands of the Target Fund immediately before the effective time of the merger.
8. The holding period of the assets of the Target Fund received by the Merger Sub will include the period during which those assets were held by the Target Fund.

No opinion will be expressed as to (1) the effect of the Merger on the Target Fund, the Acquiring Fund, the Merger Sub or any Target Fund shareholder with respect to any asset (including, without limitation, any stock held in a passive foreign investment company as defined in Section 1297(a) of the Code) as to which any unrealized gain or loss is required to be recognized under federal income tax principles (a) at the end of a taxable year (or on the termination thereof) or (b) upon the transfer of such asset regardless of whether such transfer would otherwise be a non-taxable transaction under the Code, or (2) any other federal tax issues (except those set forth above) or any state, local or non-U.S. tax issues of any kind.

The opinion will be based on certain factual representations and assumptions, including a representation from the Target Fund and the Acquiring Fund that the tender offers described below under Post-Merger Tender Offer are not expected to result in the historic shareholders of the Target Fund disposing of a number of Acquiring Fund common shares received in the Merger such that, after taking into account all such dispositions, such historic shareholders would own Acquiring Fund common shares received in the Merger that have a value, as of the effective time of the Merger,

of less than 50% of the value of all of the formerly outstanding shares of the Target Fund as of the effective time. The opinion will rely on such representation and will assume the accuracy of such representation. If such assumption is incorrect, the Merger of the Target Fund with and into the Merger Sub may not qualify as a tax-free reorganization for federal income tax purposes, and the Target Fund and Target Fund shareholders may recognize taxable gain or loss as a result of the Merger.

If a Target Fund shareholder receives cash in lieu of a fractional Acquiring Fund share, the shareholder will be treated as having received the fractional Acquiring Fund share pursuant to the Merger and then as having sold that fractional Acquiring Fund share for cash. As a result, each such Target Fund shareholder generally will recognize gain or loss equal to the difference between the amount of cash received and the basis in the fractional Acquiring Fund share to which the shareholder is entitled. This gain or loss generally will be a capital gain or loss and generally will be long-term capital gain or loss if, as of the effective time of the Merger, the holding period for the shares (including the holding period of Target Fund shares surrendered therefor if such Target Fund shares were held as capital assets at the time of the Merger) is more than one year. The deductibility of capital losses is subject to limitations. Any cash received in lieu of a fractional share may be subject to backup withholding taxes.

Prior to the closing of the Merger, the Target Fund will declare a distribution to its shareholders, which, together with all other distributions to shareholders made with respect to the taxable year in which the Merger occurs and all prior taxable years, will have the effect of distributing to shareholders all its net investment income and realized net capital gains (after reduction by any available capital loss carryforwards and excluding any net capital gain on which the Target Fund paid tax under Section 852(b)(3)(A) of the Code), if any, through the Closing Date of the Merger. To the extent distributions are attributable to ordinary taxable income or capital gains, the distribution will be taxable to shareholders for federal income tax purposes. Additional distributions may be made if necessary. All dividends and distributions will be paid in cash unless a shareholder has made an election to reinvest dividends and distributions in additional shares under the Target Fund's dividend reinvestment plan. Taxable dividends and distributions are subject to federal income tax whether received in cash or additional shares.

After the Merger, the Acquiring Fund's ability to use the Target Fund's or the Acquiring Fund's pre-Merger capital losses may be limited under certain federal income tax rules applicable to reorganizations of this type. Therefore, in certain circumstances, shareholders may pay federal income taxes sooner, or pay more federal income taxes, than they would have had the Merger not occurred. However, the effect of these potential limitations will depend on a number of factors including the amount of the losses, the amount of gains to be offset, the exact timing of the Merger and the amount of unrealized capital gains in the Funds at the time of the Merger. As of September 30, 2017, the Funds had unused capital loss carryforwards available for federal income tax purposes to be applied against capital gains, if any, per the table below.

	Target Fund	Acquiring Fund
Not subject to expiration	\$ 12,338,414	\$ 6,611,819

A Fund is generally able to carry forward net capital losses arising in taxable years beginning after December 22, 2010 indefinitely.

In addition, the shareholders of the Target Fund will receive a proportionate share of any taxable income and gains realized by the Acquiring Fund and not distributed to its shareholders prior to the closing of the Merger when such income and gains are eventually distributed by the Acquiring Fund. Any gain the Acquiring Fund realizes after the Merger, including any built-in gain in the portfolio investments of the Target Fund and Acquiring Fund that was unrealized at the time of the Merger, may result in taxable distributions to shareholders holding shares of the Acquiring Fund (including former Target Fund shareholders who hold shares of the Acquiring Fund following the Merger). As a result, shareholders of the Target Fund and the Acquiring Fund may receive a greater amount of taxable distributions than they would have had the Merger not occurred.

The foregoing is intended to be only a summary of the principal federal income tax consequences of the Merger and should not be considered to be tax advice. There can be no assurance that the Internal Revenue Service will concur on all or any of the issues discussed above. The foregoing description of the federal income tax consequences of the Merger is also made without regard to the particular facts and circumstances of any shareholder. Shareholders are urged to consult their own tax advisers regarding the specific consequences to them of the Merger, including the federal, state, local and non-U.S. tax consequences with respect to the foregoing matters and any other considerations that may be applicable to them.

Shareholder Approval

The Merger is required to be approved by the affirmative vote of the holders of a majority (more than 50%) of the Target Fund's outstanding common shares entitled to vote on the matter. Because the approval of Proposal No. 1 requires that a minimum percentage of the Target Fund's outstanding common shares be voted in favor of the proposal, abstentions and broker non-votes will have the same effect as a vote against the approval of the Merger. Broker non-votes are shares held by a broker or nominee, typically in street name, for which the broker or nominee returns a valid proxy but are not voted because (1) instructions have not been received from the beneficial owners or persons entitled to vote and (2) the broker or nominee does not have discretionary authority to vote such shares.

The closing of the Merger is subject to the satisfaction or waiver of certain closing conditions, which include customary closing conditions. Both the Target Fund's and Acquiring Fund's shareholders are voting on items whose approval is necessary for the Merger to go forward. Additionally, the closing of the Merger is contingent on shareholders of the Acquiring Fund approving the elimination of the Acquiring Fund's Contingent Term Provision. (See Proposal No. 3 Approval of Elimination of Fundamental Policy of the Acquiring Fund.) Because the closing of the Merger is contingent upon each of the Target Fund and the Acquiring Fund obtaining the requisite shareholder approvals with respect to the Merger and satisfying (or obtaining the waiver of) other closing conditions, it is possible that the Merger will not occur, even if Target Fund shareholders entitled to vote on the Merger proposal approve such proposal and the Target Fund satisfies all of its closing conditions, if the Acquiring Fund does not obtain the requisite shareholder approvals or satisfy (or obtain the waiver of) its closing conditions. If the Merger is not consummated, the Target Fund's Board may take such actions as it deems in the best interests of the Fund, including continuing to operate the Target Fund as a stand-alone fund through its termination date or seeking shareholder approval to eliminate its Contingent Term Provision at a subsequent meeting. If Proposal No. 3 is approved by shareholders of the Acquiring Fund, the Acquiring Fund's Contingent Term Provision will be eliminated, regardless of whether or not the Merger is completed.

Description of Common Shares to Be Issued by the Acquiring Fund; Comparison to Target Fund

General

As a general matter, the common shares of the Target Fund and the Acquiring Fund have equal voting rights and equal rights with respect to the payment of dividends and the distribution of assets upon dissolution, liquidation or winding up of the affairs of their respective Fund and have no preemptive, conversion or exchange rights, except as the Trustees may authorize, or rights to cumulative voting. Holders of whole common shares of each Fund are entitled to one vote per share on any matter on which the shares are entitled to vote, while each fractional share entitles its holder to a proportional fractional vote. Furthermore, the provisions set forth in the Acquiring Fund's declaration of trust are substantially similar to the provisions of the Target Fund's declaration of trust, and each contains, among other things, similar super-majority voting provisions (which are described under Additional Information About the Funds Certain Provisions in the Funds Declarations of Trust and By-Laws). The full text of each Fund's declaration of trust is on file with the SEC and may be obtained as described on page v.

The Acquiring Fund's declaration of trust authorizes an unlimited number of common shares, par value \$0.01 per share. If the Merger is consummated, the Acquiring Fund will issue additional common shares on the Closing Date to the shareholders of the Target Fund based on the relative per share net asset value of the Acquiring Fund and the net asset value of the Target Fund assets that are transferred in connection with the Merger, in each case as of the Valuation Time.

The terms of the Acquiring Fund common shares to be issued pursuant to the Merger will be identical to the terms of the Acquiring Fund common shares that are then outstanding. Acquiring Fund common shares have equal rights with respect to the payment of dividends and the distribution of assets upon dissolution, liquidation or winding up of the affairs of the Acquiring Fund. The Acquiring Fund common shares, when issued, will be fully paid and non-assessable and have no preemptive, conversion or exchange rights or rights to cumulative voting. See also Description of Massachusetts Business Trusts.

Distributions

Each Fund pays monthly distributions to shareholders. Distributions will be reinvested in additional shares under each Fund's Dividend Reinvestment Plan unless a shareholder elects to receive cash.

Each Fund seeks to pay monthly distributions at a level rate (stated in terms of a fixed cents per common share dividend rate) based on the Fund's projected performance. Each Fund's ability to maintain a level common share dividend rate will depend on a number of factors. As portfolio and market conditions change, the rate of dividends on the common shares and a Fund's distribution policy could change. Over time, each Fund will distribute all of its net investment income. In addition, each Fund intends to distribute, at least annually, the taxable ordinary income, if any, to shareholders.

To permit each Fund to maintain a more stable monthly distribution, the Fund may initially distribute less than the entire amount of net investment income earned in a particular period. Any such undistributed net investment income would be available to supplement future distributions. As a result, the distributions paid by a Fund for any particular monthly period may be more or less than the amount of net investment income actually earned by the Fund during the period.

Undistributed net investment income will be included in a Fund's net asset value and, correspondingly, distributions from undistributed net investment income will be deducted from the Fund's net asset value.

As explained more fully below, a Fund may elect to retain rather than distribute all or a portion of any net capital gain (which is the excess of net long-term capital gain over net short-term capital loss) otherwise allocable to common shareholders and pay U.S. federal income tax on the retained gain. As provided under U.S. federal income tax law, common shareholders of record as of the end of a Fund's taxable year will include their share of the retained net capital gain in their income for the year as a long-term capital gain (regardless of their holding period in the common shares), and will be entitled to an income tax credit or refund for the federal income tax deemed paid on their behalf by the Fund. Each Fund may make total distributions during a given calendar year in an amount that exceeds the Fund's current and accumulated earnings and profits, in which case the excess would be treated by common shareholders as return of capital for federal income tax purposes to the extent of the common shareholder's basis in his, her or its shares and thereafter as capital gain. See *Federal Income Tax Matters Associated with Investment in the Acquiring Fund* under *Additional Information About the Funds* below and *Federal Income Tax Matters* in the Merger SAI.

Each Fund reserves the right to change its distribution policy and the basis for establishing the rate of its monthly distributions at any time and may do so without prior notice to shareholders.

Dividend Reinvestment Plan

Generally, the terms of the dividend reinvestment plan (the *Plan*) for the Target Fund and the Acquiring Fund are identical. Under the Acquiring Fund's Plan, if your Acquiring Fund shares are registered directly with the Acquiring Fund or if you hold your shares with a brokerage firm that participates in the Acquiring Fund's Plan, your distributions, including any capital gain distributions, will automatically be reinvested in additional shares under the Plan unless you request otherwise. If you elect not to participate in the Plan, or are not eligible to participate because your brokerage firm does not participate in the Plan, you will receive all distributions in cash paid by check mailed directly to you or your brokerage firm by Computershare Trust Company, N.A. and Computershare Inc. (collectively, *Computershare*), as dividend paying agent (the *Plan Agent*). The tax character of distributions (as consisting of ordinary income or capital gain) will be the same regardless of whether such distributions are reinvested or received in cash. See *Federal Income Tax Matters Associated with Investment in the Acquiring Fund* under *Additional Information About the Funds*.

Under the Acquiring Fund's Plan, the number of shares you will receive will be determined as follows:

- (1) If the shares are trading at or above net asset value at the time of valuation, the Acquiring Fund will issue new shares at a price equal to the greater of (i) net asset value per common share on that date or (ii) 95% of the market price on that date.
- (2) If shares are trading below net asset value at the time of valuation, the Plan Agent will receive the dividend or distribution in cash and will purchase shares in the open market, on the NYSE or elsewhere, for the participants' accounts. It is possible that the market price for the shares may increase before the Plan Agent has completed its purchases. Therefore, the average purchase price per share paid by the Plan Agent may exceed the market price at the time of valuation, resulting in the

purchase of fewer shares than if the dividend or distribution had been paid in shares issued by the Acquiring Fund. The Plan Agent will use all dividends and distributions received in cash to purchase shares in the open market within 30 days of the valuation date. Interest will not be paid on any uninvested cash payments. The Plan provides that if shares start trading at or above net asset value before the Plan Agent has completed its purchases, the Plan Agent may cease purchasing shares in the open market, and may invest the uninvested portion in new shares at a price equal to the greater of (i) net asset value per share determined on the last business day immediately prior to the purchase date or (ii) 95% of the market price on that date.

You may withdraw from the Acquiring Fund's Plan at any time by giving written or telephonic notice to the Plan Agent. If you withdraw or the Plan is terminated, you will receive whole shares in your account under the Plan and you will receive a cash payment for any fraction of a share in your account. If you wish, the Plan Agent will sell your shares and send you the proceeds, minus brokerage commissions and a \$2.50 service fee.

The Acquiring Fund reserves the right to amend or terminate the Plan if in the judgment of the Board the change is warranted. There is no direct service charge to participants in the Plan; however, the Acquiring Fund reserves the right to amend the Plan to include a service charge payable by the participants. Additional information about the Plan may be obtained by writing to Computershare, P.O. Box 505000, Louisville, Kentucky 40233-5000.

The Plan Agent maintains all shareholders' accounts in the Plan and gives confirmation of all transactions in the accounts, including information you may need for tax records. Shares in your account will be held by the Plan Agent in non-certificated form. Any proxy you receive will include all shares you have received under the Plan.

There is no brokerage charge for reinvestment of your dividends or distributions in shares. However, all participants will pay a pro rata share of brokerage commissions incurred by the Plan Agent when it makes open market purchases.

Automatically reinvesting dividends and distributions does not mean that you do not have to pay income taxes due upon receiving dividends and distributions, nor does it mean that you will not realize capital gains or income simply because you are not receiving cash and instead are participating in the Plan.

If you hold your shares with a brokerage firm that does not participate in the Plan or transfer your shares from a participating broker to a non-participating broker, you will not be able to participate in the Plan and any dividend reinvestment may be effected on different terms than those described above. Consult your financial adviser for more information.

In connection with the Merger, the Target Fund's Plan will be terminated and shareholders who elected to participate in such Plan as of the Closing Date will be automatically enrolled in the Acquiring Fund's Plan.

Common Share Price Data

The common shares of the Target Fund and the Acquiring Fund are listed on the NYSE. Upon the closing of the Merger, it is expected that the common shares of the Acquiring Fund will continue to be listed on the NYSE.

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The following tables show for the periods indicated: (1) the high and low sales prices for common shares of each Fund reported as of the end of the day on the NYSE, (2) the high and low net asset values of the shares, and (3) the high and low of the premium/(discount) to net asset value (expressed as a percentage) of the common shares. The market prices reported below reflect inter-dealer prices, without retail mark-ups, mark-downs or commissions, and do not necessarily reflect actual transactions.

Fiscal Quarter Ended	Market Place		Target Fund Net Asset Value		Premium/(Discount)	
	High	Low	High	Low	High	Low
	December 2017	\$ 23.05	\$ 22.05	\$ 23.98	\$ 23.01	(3.07)%
September 2017	\$ 22.77	\$ 21.51	\$ 23.49	\$ 22.62	(2.15)%	(5.75)%
June 2017	\$ 21.95	\$ 21.04	\$ 22.95	\$ 21.94	(0.91)%	(5.49)%
March 2017	\$ 21.78	\$ 20.58	\$ 22.63	\$ 21.96	(1.90)%	(6.61)%
December 2016	\$ 22.72	\$ 20.13	\$ 23.46	\$ 21.83	(2.45)%	(8.78)%
September 2016	\$ 23.42	\$ 22.10	\$ 24.12	\$ 23.14	(1.61)%	(5.11)%
June 2016	\$ 22.70	\$ 21.52	\$ 23.51	\$ 22.63	(2.48)%	(6.48)%
March 2016	\$ 21.52	\$ 20.25	\$ 22.49	\$ 21.84	(4.31)%	(7.66)%
December 2015	\$ 20.33	\$ 19.40	\$ 22.23	\$ 21.44	(6.83)%	(10.61)%
September 2015	\$ 20.21	\$ 19.33	\$ 22.56	\$ 21.35	(8.82)%	(11.17)%
June 2015	\$ 21.82	\$ 19.62	\$ 24.03	\$ 21.86	(7.68)%	(11.24)%

Fiscal Quarter Ended	Market Place		Acquiring Fund Net Asset Value		Premium/(Discount)	
	High	Low	High	Low	High	Low
	December 2017	\$ 22.02	\$ 21.12	\$ 22.71	\$ 21.94	(0.59)%
September 2017	\$ 22.11	\$ 20.70	\$ 22.60	\$ 21.82	(1.51)%	(5.26)%
June 2017	\$ 21.20	\$ 20.51	\$ 22.17	\$ 21.33	(2.14)%	(4.69)%
March 2017	\$ 21.20	\$ 20.07	\$ 21.80	\$ 21.19	(1.77)%	(5.86)%
December 2016	\$ 22.47	\$ 19.85	\$ 22.95	\$ 21.16	(1.45)%	(6.93)%
September 2016	\$ 23.30	\$ 21.75	\$ 23.49	\$ 22.61	(0.09)%	(4.40)%
June 2016	\$ 22.81	\$ 21.47	\$ 22.93	\$ 22.12	(0.44)%	(3.82)%
March 2016	\$ 21.60	\$ 20.15	\$ 22.09	\$ 21.39	(1.73)%	(5.97)%
December 2015	\$ 20.33	\$ 19.48	\$ 21.72	\$ 21.03	(5.62)%	(8.49)%
September 2015	\$ 19.81	\$ 19.14	\$ 21.91	\$ 20.98	(6.59)%	(11.36)%
June 2015	\$ 21.47	\$ 19.21	\$ 23.25	\$ 21.29	(6.72)%	(10.54)%

On April 27, 2018, the closing sale prices of the Target Fund's and the Acquiring Fund's common shares were \$21.72 and \$20.24, respectively, and the net asset values per common share of the Target Fund and the Acquiring Fund were \$23.15 and \$21.58, respectively. Accordingly, the closing sale prices of the Acquiring Fund's and the Target Fund's common shares represented a discount to net asset value of (6.18)% and (6.21)%, respectively.

Common shares of each Fund have historically traded at a discount to net asset value. It is not possible to state whether Acquiring Fund common shares will trade at a premium or discount to net asset value following the Merger, or to what the extent of any such premium or discount might be.

Description of Massachusetts Business Trusts

Each Fund is a Massachusetts business trust. The following description is based on relevant provisions of applicable Massachusetts law and each Fund's operative documents. This summary does not purport to be complete, and we refer you to applicable Massachusetts law and each Fund's operative documents.

General

A fund organized as a Massachusetts business trust is governed by the trust's declaration of trust or similar instrument.

Massachusetts law allows the trustees of a business trust to set the terms of a fund's governance in its declaration of trust. All power and authority to manage the fund and its affairs generally reside with the trustees, and shareholder voting and other rights are limited to those provided to the shareholders in the declaration of trust.

Because Massachusetts law governing business trusts provides more flexibility compared to typical state corporate statutes, the Massachusetts business trust is a common form of organization for closed-end funds. However, some consider it less desirable than other entities because it relies on the terms of the applicable declaration of trust and judicial interpretations rather than statutory provisions for substantive issues, such as the personal liability of shareholders and trustees, and does not provide the level of certitude that corporate laws, or newer statutory trust laws such as those of Delaware, provide.

Shareholders of a Massachusetts business trust are not afforded the statutory limitation of personal liability generally afforded to shareholders of a corporation from the trust's liabilities. Instead, the declaration of trust of a fund organized as a Massachusetts business trust typically provides that a shareholder will not be personally liable, and further provides for indemnification to the extent that a shareholder is found personally liable, for the fund's acts or obligations. The declaration of trust for each Fund contains such provisions.

Similarly, the trustees of a Massachusetts business trust are not afforded statutory protection from personal liability for the obligations of the trust. However, courts in Massachusetts have recognized limitations of a trustee's personal liability in contract actions for the obligations of a trust contained in the trust's declaration of trust, and declarations of trust may also provide that trustees may be indemnified out of the assets of the trust to the extent held personally liable. The declaration of trust for each Fund contains such provisions.

The Funds

Each Fund is organized as a Massachusetts business trust and is governed by its declaration of trust and by-laws. Under the declaration of trust, any determination as to what is in the interests of the Fund made by the trustees in good faith is conclusive, and in construing the provisions of the declaration of trust, there is a presumption in favor of a grant of power to the trustees. Further, the declaration of trust provides that certain determinations made in good faith by the trustees are binding upon the Fund and all shareholders, and shares are issued and sold on the condition and understanding, evidenced by the purchase of shares, that any and all such determinations will be so binding. The following is a summary of some of the key provisions of the Funds' governing documents.

Shareholder Voting. The declaration of trust of each Fund requires a shareholder vote on a number of matters, including certain amendments to the declaration of trust, the election of trustees, the merger or reorganization of the Fund (under certain circumstances) or sales of assets in certain circumstances and matters required to be voted by the 1940 Act.

Meetings of shareholders may be called by the trustees and by the written request of shareholders owning at least 10% of the outstanding shares entitled to vote. The by-laws of each Fund provide that the holders of a majority (more than 50%) of the voting power of the shares of beneficial interest of the Fund entitled to vote at a meeting will constitute a quorum for the transaction of business. The declaration of trust of each Fund provides that the affirmative vote of the holders of a majority (more than 50%) of the shares present in person or by proxy and entitled to vote at a meeting of shareholders at which a quorum is present is required to approve a matter, except in the case of the election of trustees, which requires only a plurality vote, and for events to which other voting provisions apply under the 1940 Act or the declaration of trust and by-laws, such as the super-majority voting provisions with respect to a merger, consolidation or dissolution of, or sale of substantially all of the assets by, the Fund, or its conversion to an open-end investment company in certain circumstances under the terms of the declaration of trust.

Election and Removal of Trustees. The declaration of trust of each Fund provides that the trustees determine the size of the Board, subject to a minimum and a maximum number. Subject to the provisions of the 1940 Act, the declaration of trust also provides that vacancies on the Board may be filled by the remaining trustees. A trustee may be removed only for cause and only by action of at least two-thirds of the remaining trustees or by action of at least two-thirds of the outstanding shares of the class or classes that elected such trustee.

Pursuant to each Fund's by-laws, the Fund's Board is divided into three classes (Class I, Class II and Class III) with staggered multi-year terms, such that only the members of one of the three classes stand for election each year. The staggered board structure could delay for up to two years the election of a majority of the Board of each Fund. The board structure of the Acquiring Fund will remain in place following the closing of the Merger.

Issuance of Shares. Under the declaration of trust of each Fund, the trustees are permitted to issue an unlimited number of shares for such consideration and on such terms as the trustees may determine. Shareholders are not entitled to any preemptive rights or other rights to subscribe to additional shares, except as the trustees may determine. Shares are subject to such other preferences, conversion, exchange or similar rights, as the trustees may determine.

Classes. The declaration of trust of each Fund gives broad authority to the trustees to establish classes or series in addition to those currently established and to determine the rights and preferences, conversion rights, voting powers, restrictions, limitations, qualifications or terms or conditions of redemptions of the shares of the classes or series. The trustees are also authorized to terminate a class or series without a vote of shareholders under certain circumstances.

Amendments to Declaration of Trust. Amendments to the declaration of trust generally require the consent of shareholders owning more than 50% of shares entitled to vote, voting in the aggregate. Certain amendments may be made by the trustees without a shareholder vote, and any amendment to the voting requirements contained in the declaration of trust requires the approval of two-thirds of the outstanding shares, voting in the aggregate and not by class except to the extent that applicable law or the declaration of trust may require voting by class.

Shareholder, Trustee and Officer Liability. The declaration of trust of each Fund provides that shareholders have no personal liability for the acts or obligations of the Fund and require the Fund to indemnify a shareholder from any loss or expense arising solely by reason of his or her being or having been a shareholder and not because of his or her acts or omissions or for some other reasons. In addition, the Fund will assume the defense of any claim against a shareholder for personal liability at the request of the shareholder. Similarly, the declaration of trust provides that any person who is a trustee, officer or employee of the Fund is not personally liable to any person in connection with the affairs of the Fund, other than to the Fund and its shareholders arising from bad faith, willful misfeasance, gross negligence or reckless disregard for his or her duty. The declaration of trust further provides for indemnification of such persons and advancement of the expenses of defending any such actions for which indemnification might be sought. The declaration of trust also provides that the trustees may rely in good faith on expert advice.

Derivative Actions. Massachusetts has what is commonly referred to as a universal demand statute, which requires that a shareholder make a written demand on the board, requesting the trustees to bring an action, before the shareholder is entitled to bring or maintain a court action or claim on behalf of the entity.

Post-Merger Tender Offer

Following the elimination of the Acquiring Fund's Contingent Term Provision, the Acquiring Fund will have transitioned from a term structure to a perpetual structure. As a result, Acquiring Fund shareholders (including Target Fund shareholders as shareholders of the combined fund following the Merger) would be foregoing the potential incremental return from receiving the then-current net asset value at the Fund's liquidation, which may be higher than the market price for the Fund's common shares at such time. In consideration of the foregoing, the Board has authorized the Acquiring Fund to conduct a tender offer following the elimination of the Acquiring Fund's Contingent Term Provision pursuant to which the Fund will offer to purchase up to 20% of its then outstanding common shares (the Tender Offer) at a price per share, without interest, equal to the net asset value per share of its common shares as determined as of the close of regular trading on the NYSE on the expiration date of the Tender Offer, less a repurchase fee attributable to the direct costs of the Tender Offer. Such costs may include, but are not limited to, legal fees and printing, mailing and other expenses. Based on information provided by Nuveen Fund Advisors, the Board estimates that the repurchase fee will be approximately 0.10% of the value of each share tendered.

The Acquiring Fund expects to publicly announce the Tender Offer within 60 days, with payment for common shares purchased in the Tender Offer to take place within 120 days, of the closing of the Merger (if all of the approvals required for the Merger are received), or completion of the shareholder meeting, including any adjournments thereof (if all of the approvals for the Merger are not received but the elimination of the Acquiring Fund's Contingent Term Provision is approved), if the Acquiring Fund's common shares are trading below net asset value on average over the 10 trading day period preceding the Fund's announcement of the Tender Offer.

A sale of Acquiring Fund common shares in the Tender Offer will be a taxable transaction for U.S. federal income tax purposes. Depending on the particular circumstances of a participating Acquiring Fund shareholder, and the number of shares tendered and purchased pursuant to the Tender Offer, the sale of shares pursuant to the Tender Offer will be treated as either (i) a sale or exchange of those shares, producing gain or loss equal to the difference, if any, between the amount of cash

received and the shareholder's adjusted tax basis in the shares sold pursuant to the offer, or (ii) the receipt of a distribution from the Acquiring Fund, taxable as a dividend to the extent of such shareholder's allocable share of the Acquiring Fund's current and accumulated earnings and profits.

In order to pay for common shares purchased in the Tender Offer, the Acquiring Fund will be required to sell a portion of its portfolio investments. The Acquiring Fund may be required to make such sales under adverse market or economic conditions, which could result in the Fund selling portfolio investments at prices lower than the values at which the Fund carries the investments on its books. The Acquiring Fund currently has significant capital loss carryforwards. However, if, at the time of sale, the Acquiring Fund's portfolio investments being sold have appreciated in value and the realized gains from such sale were to exceed the amount of the Acquiring Fund's available capital loss carryforwards, the sale would result in realization of capital gains or investment income that may then need to be distributed to Fund shareholders. In such event, which Nuveen Fund Advisors believes to be unlikely, this may result in U.S. federal income tax liability for persons who remain Acquiring Fund shareholders following the completion of the Tender Offer.

D. ADDITIONAL INFORMATION ABOUT THE INVESTMENT POLICIES

Comparison of the Investment Objectives and Policies of the Target Fund and the Acquiring Fund

Investment Objectives and Policies

The Funds have the same investment objectives and, at present, substantially identical investment policies, investment portfolios and risks. The Funds also have the same fundamental and non-fundamental investment restrictions. See *Investment Restrictions* in the Merger SAI. Each Fund's primary investment objective is to provide current income through investments in taxable municipal securities. As a secondary objective, each Fund seeks to enhance portfolio value and total return. Each Fund currently seeks to achieve its investment objectives by investing primarily in a diversified portfolio of taxable municipal securities known as *Build America Bonds* (previously defined as *BABs*); however, following the closing of the Merger, the Acquiring Fund will seek to achieve its investment objectives by investing primarily in a diversified portfolio of taxable municipal securities.

Each Fund is diversified for purposes of the 1940 Act. Consequently, as to 75% of its assets, a Fund may not invest more than 5% of its total assets in the securities of any single issuer (and in not more than 10% of the outstanding voting securities of an issuer), except that this limitation does not apply to cash, securities of the U.S. Government, its agencies and instrumentalities, and securities of other investment companies.

Under normal circumstances, each Fund currently will invest at least 80% of its Managed Assets in *BABs*. This investment policy may be changed with 60 days' notice to shareholders. Each Fund may invest up to 20% of its Managed Assets in securities other than *BABs*, including taxable municipal securities that do not qualify for federal support, municipal securities the interest income from which is exempt from regular U.S. federal income tax (sometimes referred to as *tax-exempt municipal securities*), U.S. Treasury securities and obligations of the U.S. Government, its agencies and instrumentalities. Each Fund may purchase *BABs* (including for purposes of the 80% test) and other municipal securities (taxable or tax-exempt) in the form of bonds, notes, leases or certificates of participation; structured as callable or non-callable; with payment forms that include fixed-coupon, variable rate, zero coupon, capital appreciation bonds, floating rate securities, inverse floating rate securities and other derivative instruments that replicate investment exposure to *BABs* or other municipal securities. Such *BABs* and other municipal securities may be acquired through investments in pooled vehicles, partnerships or other investment companies. Each Fund may also purchase *BABs* and other municipal securities representing a wide range of sectors and purposes.

Upon the elimination of the Acquiring Fund's Contingent Term Provision, the Acquiring Fund will adopt certain changes to its non-fundamental investment policies to implement a broader taxable municipal bond investment mandate that over time is intended to promote increased diversification of credit and total return opportunities by investing at least 80% of its assets in taxable municipal securities. The proposed elimination of the term structure, combined with the expanded investment mandate, would allow the Acquiring Fund's portfolio managers to retain less liquid, higher yielding securities as well as pursue attractive investment opportunities across the taxable municipal bond market without regard to liquidity at the termination date. Over time, Nuveen Fund Advisors believes such flexibility may enhance common share net earnings and distribution potential.

Under normal circumstances, each Fund will invest at least 80% of its Managed Assets in securities that at the time of investment are investment grade quality. A security is considered investment grade quality if it is rated within the four highest letter grades (BBB or Baa or better) by at least one of the nationally recognized statistical rating organizations (NRSROs) that rate such security (even if it is rated lower by another), or if it is unrated by any NRSRO but judged to be of comparable quality by Nuveen Asset Management. Each Fund may invest up to 20% of its Managed Assets in securities rated below investment grade or are unrated by any NRSRO but judged to be of comparable quality by Nuveen Asset Management.

Securities of below-investment-grade quality (Ba/BB or below) are commonly referred to as junk bonds. Municipal securities rated below-investment-grade quality are obligations of issuers that are considered predominantly speculative with respect to the issuer's capacity to pay interest and repay principal according to the terms of the obligation and, therefore, carry greater investment risk, including the possibility of issuer default and bankruptcy and increased market price volatility. Municipal securities rated below-investment-grade tend to be less marketable than higher-quality securities because the market for them is less broad. The market for unrated municipal securities is even narrower. During periods of thin trading in these markets, the spread between bid and asked prices is likely to increase significantly and a Fund may have greater difficulty selling its holdings of these types of portfolio securities. A Fund will be more dependent on the Adviser's and/or the Sub-Adviser's research and analysis when investing in these securities.

Municipal securities rated Baa or BBB are considered investment grade securities. Issuers of municipal securities rated BBB or Baa are regarded as having average creditworthiness relative to other U.S. municipal issuers; however, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the issuer to meet its financial commitments.

The foregoing credit quality policy targets apply only at the time a security is purchased, and a Fund is not required to dispose of a security in the event that a rating agency upgrades or downgrades its assessment of the credit characteristics of a particular issuer or that valuation changes of various municipal securities cause the Fund's portfolio to fail to satisfy those targets. In determining whether to retain or sell such a security, the Adviser and/or the Sub-Adviser may consider such factors as the Adviser's and/or the Sub-Adviser's assessment of the credit quality of the issuer of such security, the price at which such security could be sold and the rating, if any, assigned to such security by other rating agencies. The credit ratings assigned by rating agencies from time to time, represent their opinions as to the quality of the municipal securities they rate. However, it should be emphasized that ratings are general and are not absolute standards of quality. Consequently, municipal securities with the same maturity, coupon and rating may have different yields while obligations of the same maturity and coupon with different ratings may have the same yield. A general description of the ratings of municipal securities by S&P, Moody's and Fitch is set forth in Appendix A to the Merger SAI.

Each Fund will generally invest in securities with intermediate- or long-term maturities. The Funds anticipate having a weighted average maturity of 15 to 35 years. The weighted average maturity of securities held by a Fund may be shortened or lengthened, depending on market conditions and on an assessment by the Fund's portfolio manager of which segments of the securities market offer the most favorable relative investment values and opportunities for income and total return. As of January 31, 2018, the average effective maturities of the portfolios of the Target Fund and the Acquiring Fund were 24.01 and 22.92 years, respectively.

Each Fund may invest up to 25% of its Managed Assets in municipal securities in any one industry or in any one state of origin.

Each Fund also may invest up to 20% of its total assets in certain derivative instruments to enhance returns. Such derivatives include financial futures contracts, swap contracts (including interest rate and credit default swaps), options on financial futures, options on swap contracts, or similar instruments. This limit will apply to the investment exposure created by those derivative instruments. Inverse floating rate securities are not regarded as derivatives for this purpose. Nuveen Asset Management may also use derivative instruments to hedge some of the risk of a Fund's investments in municipal securities.

Each Fund may use leverage (regulatory leverage) to the extent permitted by the 1940 Act. Regulatory leverage consists of senior securities as defined under the 1940 Act, which include (1) borrowings, including loans from financial institutions; (2) issuances of debt securities; and (3) issuances of preferred shares of beneficial interest ((1),(2), and (3) are hereinafter collectively referred to as regulatory leverage). Each Fund may also use other forms of leverage including, but not limited to, reverse repurchase agreements and portfolio investments that have the economic effect of leverage, including, but not limited to, investments in inverse floating rate securities of tender option bond trusts. The use of leverage creates special risks for common shareholders. See B. Risk Factors General Risks of Investing in the Funds Leverage Risk.

As of April 13, 2018, each Fund employs leverage through reverse repurchase agreements and investments in inverse floating rate securities of tender option bond trusts.

If, for any twenty-four month period ending on or prior to December 31, 2014, there have been no new issuances of BABs or other taxable municipal securities with interest payments subsidized by the U.S. Government through direct pay subsidies, as a fundamental policy, the Target Fund and Acquiring Fund will terminate (the Contingent Term Provision) on or around December 31, 2020 and June 30, 2020, respectively. Because the issuance of Build America Bonds ceased on December 31, 2010, each Fund currently will terminate pursuant to its Contingent Term Provision. Shareholders of the Acquiring Fund are being solicited pursuant to this Joint Proxy Statement/Prospectus to eliminate the Acquiring Fund's Contingent Term Provision. (See Proposal No. 3 Approval of Elimination of Fundamental Policy of the Acquiring Fund.) As noted elsewhere in this Joint Proxy Statement/Prospectus, if Proposal No. 3 is approved by shareholders of the Acquiring Fund, the Acquiring Fund's Contingent Term Provision will be eliminated, regardless of whether or not the Merger is completed. However, the closing of the Merger is contingent upon the elimination of the Acquiring Fund's Contingent Term Provision.

During temporary defensive periods or in order to keep cash fully invested, the Funds may deviate from their investment policies and objectives. During such periods, a Fund may invest up to 100% of its Managed Assets in short-term investments, including high quality, short-term securities that may be either tax-exempt or taxable, or may invest in short-, intermediate-, or long-term U.S. Treasury Bonds. There can be no assurance that such strategies will be successful.

Except for each Fund's investment objectives and Contingent Term Provision, which are fundamental policies of the Fund, each of the foregoing investment policies, including each Fund's investment policy of investing at least 80% of its Managed Assets in certain assets, is a non-fundamental investment policy that can be changed by the Fund's Board without a shareholder vote.

However, each Fund's investment policy to invest at least 80% of its Managed Assets in certain assets may be changed by the Board only following the provision of 60 days' prior notice to shareholders. The Funds can only change their fundamental investment restrictions with the approval of the holders of a majority of the outstanding voting securities of a Fund as is defined in the 1940 Act. When used with respect to particular shares of a Fund, a majority of the outstanding voting securities means the vote of (i) 67% or more of a Fund's shares present at a meeting, if the holders of more than 50% of the Fund's shares are present or represented by proxy; or (ii) more than 50% of the Fund's outstanding common shares, whichever is less.

Integrated Leverage and Hedging Strategy

Each Fund employs an integrated leverage and hedging strategy to seek to enhance its potential current income and longer-term risk-adjusted total return, while seeking to maintain a level of interest rate risk comparable to that of the Barclays Capital Build America Bond Index (the Index). Following the elimination of the Acquiring Fund's Contingent Term Provision, the Index will change to the S&P Taxable Municipal Bond Index. Each Fund uses leverage instruments that will have a funding cost based on short- to intermediate-term market interest rates. Because such interest rates are expected to be generally lower than the yields on the long-term bonds in which a Fund invests, Nuveen Asset Management believes that the use of leverage will generally increase common share net income.

The use of leverage involves increased risk, including increased variability of a Fund's net income, distributions and/or net asset value in relation to market changes. In particular, leverage increases interest rate risk, which is the risk that the prices of portfolio securities will fall (or rise) if market interest rates for those securities rise (or fall). Each Fund's hedging strategy seeks to reduce this increased interest rate risk by systematically reducing the leverage-adjusted portfolio duration (duration is a measure of the sensitivity of bond prices to changes in interest rates) to a level comparable to the duration of the Index. This hedging strategy is not expected to reduce other types of risk, such as credit risk, which are also increased by a Fund's use of leverage. Each Fund's leverage and hedging techniques are referred to as integrated because a Fund's use of hedging strategies is expected to be directly calibrated to any increased interest rate risk, relative to the Fund's benchmark, due to the use of leverage.

Each Fund's use of derivatives such as bond futures or interest rate swaps in hedging interest rate risk will generate costs that will effectively reduce the Fund's net asset value. These capital costs may be offset over time by capital appreciation of a Fund's portfolio. The potential to achieve such capital appreciation will depend largely on Nuveen Asset Management's investment capabilities in executing a Fund's investment strategy as well as the performance of BABs relative to the securities underlying the Fund's hedging instruments. If and to the extent that such capital appreciation does not occur or is less than these hedging costs, however, a Fund's total returns can be expected to be less than its net earnings (and, over time, distributions).

Portfolio Composition and Other Information

The Funds have substantially identical portfolio compositions. The following investments represent the principal components of each Fund's portfolio. More detailed information about the Funds' portfolio investments is contained in the Merger SAI under Portfolio Composition.

Municipal Securities

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

Municipal securities are either general obligation or revenue bonds and typically are issued to finance public projects (such as roads or public buildings), to pay general operating expenses or to refinance outstanding debt. General obligation bonds are backed by the full faith and credit, or taxing authority, of the issuer and may be repaid from any revenue source; revenue bonds may be repaid only from the revenues of a specific facility or source. The Fund also may purchase municipal securities that represent lease obligations, municipal notes, pre-refunded municipal bonds, private activity bonds, floating rate securities and other related securities and may purchase derivative instruments that create exposure to municipal bonds, notes and securities.

The yields on municipal securities depend on a variety of factors, including prevailing interest rates and the condition of the general money market and the municipal bond market, the size of a particular offering, the maturity of the obligation and the rating of the issue. A municipal security's market value generally will depend upon its form, maturity, call features, and interest rate, as well as the credit quality of the issuer, all such factors examined in the context of the municipal securities market and interest rate levels and trends. The market value of municipal securities will vary with changes in interest rate levels and as a result of changing evaluations of the ability of their issuers to meet interest and principal payments.

BABs offered an alternative form of financing for state and local government entities whose primary means for accessing the capital markets traditionally had been through issuance of tax-exempt municipal securities. BABs are taxable municipal obligations issued pursuant to the American Recovery and Reinvestment Act of 2009. Enacted in February 2009 with the intent to assist state and local governments in financing capital projects at lower borrowing costs, the American Recovery and Reinvestment Act of 2009 authorized state and local governments to issue taxable bonds on which,

assuming certain specified conditions are satisfied, issuers may either (i) receive payments from the U.S. Treasury equal to a specified percentage of their interest payments (in the case of direct pay BABs) or (ii) cause investors in the bonds to receive federal tax credits (in the case of tax credit BABs). Unlike most other municipal obligations, interest received on BABs is subject to U.S. federal income tax and may be subject to state income tax. Under the terms of the American Recovery and Reinvestment Act of 2009, issuers of direct pay BABs are entitled to receive payments from the U.S. Treasury currently equal to 35% (or 45% in the case of Recovery Zone Economic Development Bonds) of the interest paid on the bonds. Holders of tax credit BABs receive a federal tax credit currently equal to 35% of the coupon interest received. The Funds do not expect to receive (or pass through to common shareholders) tax credits as a result of its investments. The federal interest subsidy or tax credit continues for the life of the bonds, provided that the issuer continues to meet all applicable program eligibility requirements.

Pursuant to the terms of the American Recovery and Reinvestment Act of 2009, the issuance of Build America Bonds ceased on December 31, 2010. As a result, the availability of such bonds is limited and there can be no assurance that Build America Bonds will be actively traded. The market for the bonds and/or their liquidity may be negatively affected. No further issuance is permitted unless Congress were to renew the program at a future date.

Municipal Leases and Certificates of Participation. Each Fund also may purchase municipal securities that represent lease obligations and certificates of participation in such leases. These carry special risks because the issuer of the securities may not be obligated to appropriate money annually to make payments under the lease. A municipal lease is an obligation in the form of a lease or installment purchase that is issued by a state or local government to acquire equipment and facilities. Income from such obligations generally is exempt from state and local taxes in the state of issuance. Leases and installment purchase or conditional sale contracts (which normally provide for title to the leased asset to pass eventually to the governmental issuer) have evolved as a means for governmental issuers to acquire property and equipment without meeting the constitutional and statutory requirements for the issuance of debt. The debt issuance limitations are deemed to be inapplicable because of the inclusion in many leases or contracts of non-appropriation clauses that relieve the governmental issuer of any obligation to make future payments under the lease or contract unless money is appropriated for such purpose by the appropriate legislative body on a yearly or other periodic basis. In addition, such leases or contracts may be subject to the temporary abatement of payments in the event the issuer is prevented from maintaining occupancy of the leased premises or utilizing the leased equipment or facilities. Although the obligations may be secured by the leased equipment or facilities, the disposition of the property in the event of non-appropriation or foreclosure might prove difficult, time consuming and costly, and result in a delay in recovering, or the failure to recover fully, a Fund's original investment. To the extent that a Fund invests in unrated municipal leases or participates in such leases, the credit quality rating and risk of cancellation of such unrated leases will be monitored on an ongoing basis. In order to reduce this risk, each Fund will purchase municipal securities representing lease obligations only where the Adviser and/or the Sub-Adviser believes the issuer has a strong incentive to continue making appropriations until maturity.

A certificate of participation represents an undivided interest in an unmanaged pool of municipal leases, an installment purchase agreement or other instruments. The certificates typically are issued by a municipal agency, a trust or other entity that has received an assignment of the payments to be made by the state or political subdivision under such leases or installment purchase agreements. Such certificates provide a Fund with the right to a pro rata undivided interest in the underlying

municipal securities. In addition, such participations generally provide a Fund with the right to demand payment, on not more than seven days notice, of all or any part of the Fund's participation interest in the underlying municipal securities, plus accrued interest.

Municipal Notes. Municipal securities in the form of notes generally are used to provide for short-term capital needs, in anticipation of an issuer's receipt of other revenues or financing, and typically have maturities of up to three years. Such instruments may include tax anticipation notes, revenue anticipation notes, bond anticipation notes, tax and revenue anticipation notes and construction loan notes. Tax anticipation notes are issued to finance the working capital needs of governments. Generally, they are issued in anticipation of various tax revenues, such as income, sales, property, use and business taxes, and are payable from these specific future taxes. Revenue anticipation notes are issued in expectation of receipt of other kinds of revenue, such as federal revenues available under federal revenue sharing programs. Bond anticipation notes are issued to provide interim financing until long-term bond financing can be arranged. In most cases, the long-term bonds then provide the funds needed for repayment of the bond anticipation notes. Tax and revenue anticipation notes combine the funding sources of both tax anticipation notes and revenue anticipation notes. Construction loan notes are sold to provide construction financing. Mortgage notes insured by the Federal Housing Administration secure these notes; however, the proceeds from the insurance may be less than the economic equivalent of the payment of principal and interest on the mortgage note if there has been a default. The anticipated revenues from taxes, grants or bond financing generally secure the obligations of an issuer of municipal notes. However, an investment in such instruments presents a risk that the anticipated revenues will not be received or that such revenues will be insufficient to satisfy the issuer's payment obligations under the notes or that refinancing will be otherwise unavailable.

Pre-Refunded Municipal Securities. The principal of, and interest on, pre-refunded municipal securities are no longer paid from the original revenue source for the securities. Instead, the source of such payments is typically an escrow fund consisting of U.S. Government securities. The assets in the escrow fund are derived from the proceeds of refunding bonds issued by the same issuer as the pre-refunded municipal securities. Issuers of municipal securities use this advance refunding technique to obtain more favorable terms with respect to securities that are not yet subject to call or redemption by the issuer. For example, advance refunding enables an issuer to refinance debt at lower market interest rates, restructure debt to improve cash flow or eliminate restrictive covenants in the indenture or other governing instrument for the pre-refunded municipal securities. However, except for a change in the revenue source from which principal and interest payments are made, the pre-refunded municipal securities remain outstanding on their original terms until they mature or are redeemed by the issuer.

Private Activity Bonds. Private activity bonds are issued by or on behalf of public authorities to obtain funds to provide privately operated housing facilities, airport, mass transit or port facilities, sewage disposal, solid waste disposal or hazardous waste treatment or disposal facilities and certain local facilities for water supply, gas or electricity. Other types of private activity bonds, the proceeds of which are used for the construction, equipment, repair or improvement of privately operated industrial or commercial facilities, may constitute municipal securities, although the current federal tax laws place substantial limitations on the size of such issues.

Inverse Floating Rate Securities. Each Fund may invest in inverse floating rate securities. Inverse floating rate securities are securities whose interest rates bear an inverse relationship to the interest rate on another security or the value of an index. Generally, inverse floating rate securities represent beneficial interests in a special purpose trust, commonly referred to as a tender option bond.

trust (TOB trust), that holds municipal bonds. The TOB trust typically sells two classes of beneficial interests or securities: floating rate securities (sometimes referred to as short-term floaters or tender option bonds (TOBs)), and inverse floating rate securities (sometimes referred to as inverse floaters). Both classes of beneficial interests are represented by certificates or receipts. The floating rate securities have first priority on the cash flow from the municipal bonds held by the TOB trust. In this structure, the floating rate security holders have the option, at periodic short-term intervals, to tender their securities to the trust for purchase and to receive the face value thereof plus accrued interest. The obligation of the trust to repurchase tendered securities is supported by a remarketing agent and by a liquidity provider. As consideration for providing this support, the remarketing agent and the liquidity provider receive periodic fees. The holder of the short-term floater effectively holds a demand obligation that bears interest at the prevailing short-term, tax-exempt rate. However, the trust is not obligated to purchase tendered short-term floaters in the event of certain defaults with respect to the underlying municipal bonds or a significant downgrade in the credit rating assigned to the bond issuer.

As the holder of an inverse floating rate investment, a Fund receives the residual cash flow from the TOB trust. Because the holder of the short-term floater is generally assured liquidity at the face value of the security plus accrued interest, the holder of the inverse floater assumes the interest rate cash flow risk and the market value risk associated with the municipal bond deposited into the TOB trust. The volatility of the interest cash flow and the residual market value will vary with the degree to which the trust is leveraged. This is expressed in the ratio of the total face value of the short-term floaters to the value of the inverse floaters that are issued by the TOB trust, and can exceed three times for more highly leveraged trusts. All voting rights and decisions to be made with respect to any other rights relating to the municipal bonds held in the TOB trust are passed through, pro rata, to the holders of the short-term floaters and to a Fund as the holder of the associated inverse floaters.

Because any increases in the interest rate on the short-term floaters issued by a TOB trust would reduce the residual interest paid on the associated inverse floaters, and because fluctuations in the value of the municipal bond deposited in the TOB trust would affect only the value of the inverse floater and not the value of the short-term floater issued by the trust so long as the value of the municipal bond held by the trust exceeded the face amount of short-term floaters outstanding, the value of inverse floaters is generally more volatile than that of an otherwise comparable municipal bond held on an unleveraged basis outside a TOB trust. Inverse floaters generally will underperform the market of fixed-rate bonds in a rising interest rate environment (i.e., when bond values are falling), but will tend to outperform the market of fixed-rate bonds when interest rates decline or remain relatively stable. Although volatile in value and return, inverse floaters typically offer the potential for yields higher than those available on fixed-rate bonds with comparable credit quality, coupon, call provisions and maturity. Inverse floaters have varying degrees of liquidity or illiquidity based primarily upon the inverse floater holder's ability to sell the underlying bonds deposited in the TOB trust at an attractive price.

Each Fund may invest in inverse floating rate securities issued by TOB trusts in which the liquidity providers have recourse to the Fund pursuant to a separate shortfall and forbearance agreement. Such an agreement would require a Fund to reimburse the liquidity provider, among other circumstances, upon termination of the TOB trust for the difference between the liquidation value of the bonds held in the trust and the principal amount and accrued interest due to the holders of floating rate securities issued by the trust. A Fund will enter into such a recourse agreement (1) when the liquidity provider requires such a recourse agreement because the level of leverage in the TOB trust

exceeds the level that the liquidity provider is willing to support absent such an agreement; and/or (2) to seek to prevent the liquidity provider from collapsing the trust in the event the municipal bond held in the trust has declined in value to the point where it may cease to exceed the face amount of outstanding short-term floaters. In an instance where a Fund has entered such a recourse agreement, the Fund may suffer a loss that exceeds the amount of its original investment in the inverse floating rate securities; such loss could be as great as that original investment amount plus the face amount of the floating rate securities issued by the trust plus accrued interest thereon.

Each Fund will segregate or earmark liquid assets with its custodian in accordance with the 1940 Act to cover its obligations with respect to its investments in TOB trusts.

Each Fund may invest in both inverse floating rate securities and floating rate securities (as discussed below) issued by the same TOB trust.

Floating Rate Securities. Each Fund also may invest in short-term floating rate securities, as described above, issued by TOB trusts. Generally, the interest rate earned will be based upon the market rates for municipal securities with maturities or remarketing provisions that are comparable in duration to the periodic interval of the tender option, which may vary from weekly, to monthly, to other periods of up to one year. Since the tender option feature provides a shorter term than the final maturity or first call date of the underlying municipal bond deposited in the trust, a Fund, as the holder of the floating rate securities, relies upon the terms of the remarketing and liquidity agreements with the financial institution that acts as remarketing agent and/or liquidity provider as well as the credit strength of that institution. As further assurance of liquidity, the terms of the TOB trust provide for a liquidation of the municipal bond deposited in the trust and the application of the proceeds to pay off the floating rate securities. The TOB trusts that are organized to issue both short-term floating rate securities and inverse floaters generally include liquidation triggers to protect the investor in the floating rate securities.

Special Taxing Districts. Special taxing districts are organized to plan and finance infrastructure developments to induce residential, commercial and industrial growth and redevelopment. The bond financing methods such as tax increment finance, tax assessment, special services district and Mello-Roos bonds, generally are payable solely from taxes or other revenues attributable to the specific projects financed by the bonds without recourse to the credit or taxing power of related or overlapping municipalities. They often are exposed to real estate development-related risks and can have more taxpayer concentration risk than general tax-supported bonds, such as general obligation bonds. Further, the fees, special taxes, or tax allocations and other revenues that are established to secure such financings generally are limited as to the rate or amount that may be levied or assessed and are not subject to increase pursuant to rate covenants or municipal or corporate guarantees. The bonds could default if development failed to progress as anticipated or if larger taxpayers failed to pay the assessments, fees and taxes as provided in the financing plans of the districts.

Illiquid Securities

Each Fund may invest up to 15% of its Managed Assets in municipal securities and other instruments that, at the time of investment, are illiquid (i.e., securities that are not readily marketable). For this purpose, illiquid securities may include, but are not limited to, restricted securities (securities the disposition of which is restricted under the federal securities laws), securities that may only be

resold pursuant to Rule 144A under the Securities Act, that are deemed to be illiquid, and certain repurchase agreements. Inverse floating rate securities or the residual interest certificates of tender option bond trusts are not considered illiquid securities. The Board or its delegate has the ultimate authority to determine which securities are liquid or illiquid. The Board has delegated to Nuveen Asset Management the day-to-day determination of the illiquidity of any security held by a Fund, although it has retained oversight and ultimate responsibility for such determinations. Currently, no definitive liquidity criteria are used. Each Board has directed Nuveen Asset Management, when making liquidity determinations, to consider such factors as (i) the nature of the market for a security (including the institutional private resale market; the frequency of trades and quotes for the security; the number of dealers willing to purchase or sell the security; the amount of time normally needed to dispose of the security; and the method of soliciting offers and the mechanics of transfer), (ii) the terms of certain securities or other instruments allowing for the disposition to a third party or the issuer thereof (e.g., certain repurchase obligations and demand instruments), and (iii) other relevant factors. The assets used to cover OTC derivatives held by a Fund will be considered illiquid until the OTC derivatives are sold to qualified dealers who agree that the Fund may repurchase them at a maximum price to be calculated by a formula set forth in an agreement. The cover for an OTC derivative subject to this procedure would be considered illiquid only to the extent that the maximum repurchase price under the formula exceeds the intrinsic value of the derivative.

Restricted securities may be sold only in privately negotiated transactions or in a public offering with respect to which a registration statement is in effect under the Securities Act. Where registration is required, a Fund may be obligated to pay all or part of the registration expenses and a considerable period may elapse between the time of the decision to sell and the time the Fund may be permitted to sell a security under an effective registration statement. If, during such a period, adverse market conditions were to develop, the Fund might obtain a less favorable price than that which prevailed when it decided to sell. Illiquid securities will be priced at a fair value as determined in good faith by the Board or its delegatee. If, through the appreciation of illiquid securities or the depreciation of liquid securities, a Fund should be in a position where more than 50% of the value of its Managed Assets is invested in illiquid securities, including restricted securities that are not readily marketable, the Fund will take such steps as are deemed advisable by Nuveen Asset Management, if any, to protect liquidity.

When-Issued and Delayed-Delivery Transactions

Each Fund may buy and sell municipal securities on a when-issued or delayed delivery basis, making payment or taking delivery at a later date, normally within 15 to 45 days of the trade date. On such transactions, the payment obligation and the interest rate are fixed at the time the buyer enters into the commitment. Beginning on the date a Fund enters into a commitment to purchase securities on a when-issued or delayed delivery basis, the Fund is required under interpretations of the SEC to segregate liquid assets, consisting of cash, cash equivalents or liquid securities having a market value, at all times, at least equal to the amount of the commitment. Income generated by any such assets which provide taxable income for federal income tax purposes is includable in the taxable income of a Fund and, to the extent distributed, will be taxable to shareholders. Each Fund may enter into contracts to purchase municipal securities on a forward basis (i.e., where settlement will occur more than 60 days from the date of the transaction) only to the extent that the Fund specifically collateralizes such obligations with a security that is expected to be called or mature within 60 days before or after the settlement date of the forward transaction. The commitment to purchase securities on a when-issued, delayed delivery or forward basis may involve an element of risk because no interest accrues on the bonds prior to settlement and, at the time of delivery, the market value may be less than cost.

Derivatives

General. Each Fund may invest in certain derivative instruments in pursuit of its investment objectives. Such instruments include financial futures contracts, swap contracts (including interest rate and credit default swaps), options on financial futures, options on swap contracts or other derivative instruments. Credit default swaps may require initial premium (discount) payments as well as periodic payments (receipts) related to the interest leg of the swap or to the default of a reference obligation. If a Fund is a seller of a contract, the Fund would be required to pay the par (or other agreed upon) value of a referenced debt obligation to the counterparty in the event of a default or other credit event by the reference issuer, such as a U.S. or foreign corporate issuer, with respect to such debt obligations. In return, a Fund would receive from the counterparty a periodic stream of payments over the term of the contract provided that no event of default has occurred. If no default occurs, a Fund would keep the stream of payments and would have no payment obligations. As the seller, a Fund would be subject to investment exposure on the notional amount of the swap. If a Fund is a buyer of a contract, the Fund would have the right to deliver a referenced debt obligation and receive the par (or other agreed-upon) value of such debt obligation from the counterparty in the event of a default or other credit event (such as a credit downgrade) by the reference issuer, such as a U.S. or foreign corporation, with respect to its debt obligations. In return, a Fund would pay the counterparty a periodic stream of payments over the term of the contract provided that no event of default has occurred. If no default occurs, the counterparty would keep the stream of payments and would have no further obligations to a Fund. Interest rate swaps involve the exchange by a Fund with a counterparty of their respective commitments to pay or receive interest, such as an exchange of fixed-rate payments for floating rate payments. A Fund will usually enter into interest rate swaps on a net basis; that is, the two payment streams will be netted out in a cash settlement on the payment date or dates specified in the instrument, with the Fund receiving or paying, as the case may be, only the net amount of the two payments.

The Adviser and/or the Sub-Adviser may use derivative instruments to seek to enhance return, to hedge some of the risk of a Fund's investments in municipal securities or as a substitute for a position in the underlying asset.

There is no assurance that these derivative strategies will be available at any time or that the Adviser and/or the Sub-Adviser will determine to use them for a Fund or, if used, that the strategies will be successful.

Limitations on the Use of Futures, Options on Futures and Swaps. The Adviser has claimed, with respect to each Fund, the exclusion from the definition of "commodity pool operator" under the CEA provided by CFTC Regulation 4.5 and is therefore not currently subject to registration or regulation as such under the CEA with respect to the Fund. In addition, the Sub-Adviser has claimed the exemption from registration as a commodity trading advisor provided by CFTC Regulation 4.14(a)(8) and is therefore not currently subject to registration or regulation as such under the CEA with respect to each Fund. In February 2012, the CFTC announced substantial amendments to certain exemptions, and to the conditions for reliance on those exemptions, from registration as a commodity pool operator. Under amendments to the exemption provided under CFTC Regulation 4.5, if a Fund uses futures, options on futures, or swaps other than for bona fide hedging purposes (as defined by the CFTC), the aggregate initial margin and premiums on these positions (after taking into account unrealized profits and unrealized losses on any such positions and excluding the amount by which options that are in-the-money at the time of purchase are in-the-money) may not exceed 5% of the Fund's net asset value, or alternatively, the aggregate net notional value of those positions may not

exceed 100% of the Fund's net asset value (after taking into account unrealized profits and unrealized losses on any such positions). The CFTC amendments to Regulation 4.5 took effect on December 31, 2012, and each Fund intends to comply with amended Regulation 4.5's requirements such that the Adviser will not be required to register as a commodity pool operator with the CFTC with respect to the Fund. Each Fund reserves the right to employ futures, options on futures and swaps to the extent allowed by CFTC regulations in effect from time to time and in accordance with the Fund's policies. However, the requirements for qualification as a regulated investment company under Subchapter M of the Code may limit the extent to which a Fund may employ futures, options on futures or swaps.

Structured Notes

Each Fund may utilize structured notes and similar instruments for investment purposes and also for hedging purposes. Structured notes are privately negotiated debt obligations where the principal and/or interest is determined by reference to the performance of a benchmark asset, market or interest rate (an embedded index), such as selected securities, an index of securities or specified interest rates, or the differential performance of two assets or markets. The terms of such structured instruments normally provide that their principal and/or interest payments are to be adjusted upwards or downwards (but not ordinarily below zero) to reflect changes in the embedded index while the structured instruments are outstanding. As a result, the interest and/or principal payments that may be made on a structured product may vary widely, depending upon a variety of factors, including the volatility of the embedded index and the effect of changes in the embedded index on principal and/or interest payments. The rate of return on structured notes may be determined by applying a multiplier to the performance or differential performance of the referenced index or indices or other assets. Application of a multiplier involves leverage that will serve to magnify the potential for gain and the risk of loss.

Other Investment Companies

Each Fund may invest up to 10% of its Managed Assets in securities of other open- or closed-end investment companies (including exchange-traded funds) that invest primarily in municipal securities of the types in which the Fund may invest directly. In addition, each Fund may invest a portion of its Managed Assets in pooled investment vehicles (other than investment companies) that invest primarily in municipal securities of the types in which the Fund may invest directly. Each Fund generally expects that it may invest in other investment companies and/or other pooled investment vehicles either during periods when it has large amounts of uninvested cash or during periods when there is a shortage of attractive, high yielding municipal securities available in the market. Each Fund may invest in investment companies that are advised by the Adviser and/or the Sub-Adviser or their affiliates to the extent permitted by applicable law and/or pursuant to exemptive relief from the SEC. No Fund has applied for, and no Fund currently intends to apply for, such relief. As a shareholder in an investment company, each Fund will bear its ratable share of that investment company's expenses and would remain subject to payment of its own management fees with respect to assets so invested. Common shareholders would therefore be subject to duplicative expenses to the extent each Fund invests in other investment companies.

The Adviser and/or the Sub-Adviser will take expenses into account when evaluating the investment merits of an investment in an investment company relative to available municipal security investments. In addition, the securities of other investment companies may also be leveraged and will therefore be subject to the same leverage risks described herein. The net asset value and market value of leveraged shares will be more volatile, and the yield to common shareholders will tend to fluctuate more than the yield generated by unleveraged shares.

Zero Coupon Bonds

Each Fund may invest in zero coupon bonds. A zero coupon bond is a bond that typically does not pay interest for the entire life of the obligation or for an initial period after the issuance of the obligation. The market prices of zero coupon bonds are affected to a greater extent by changes in prevailing levels of interest rates and therefore tend to be more volatile in price than securities that pay interest periodically. In addition, because each Fund accrues income with respect to these securities prior to the receipt of such interest, it may have to dispose of portfolio securities under disadvantageous circumstances in order to obtain cash needed to pay income dividends in amounts necessary to avoid unfavorable tax consequences.

The Board of the Target Fund recommends that shareholders vote FOR the approval of the Merger.

**PROPOSAL NO. 2 APPROVAL OF ISSUANCE OF ADDITIONAL COMMON SHARES OF ACQUIRING FUND
(SHAREHOLDERS OF THE ACQUIRING FUND ONLY)**

Detailed information regarding the proposed Merger of the Target Fund with and into the Merger Sub is described above under Proposal No. 1. Common shareholders of the Acquiring Fund are urged to read the disclosure under that proposal for important information about the proposed Merger.

In connection with the proposed Merger, common shares of the Target Fund will be converted into newly issued common shares, par value \$0.01 per share, of the Acquiring Fund (with cash being distributed in lieu of any fractional Acquiring Fund common shares). Subject to notice of issuance, the Acquiring Fund expects to list such shares on the NYSE. As soon as practicable following the completion of the Merger, the Merger Sub will distribute its assets to the Acquiring Fund, and the Acquiring Fund will assume the liabilities of the Merger Sub, in complete liquidation and dissolution of the Merger Sub under Massachusetts law. Following the Merger, the Target Fund will terminate its registration as an investment company under the 1940 Act.

Based on information from Nuveen Fund Advisors, LLC, the Funds' investment adviser, the proposed Merger is intended to benefit shareholders in a number of ways, including, among other things: (i) continued exposure to each Fund's portfolio of scarce BABs with above-market purchase yields relative to current taxable municipal bond yields and avoidance of sizeable taxable capital gain distributions in connection with a termination of the Fund, which will allow the Acquiring Fund's portfolio managers to retain less liquid, higher yielding securities as well as pursue attractive investment opportunities across the taxable municipal bond market without regard to liquidity at the termination date that, over time, Nuveen Fund Advisors believes should enhance common share net earnings and distribution potential; (ii) lower operating expenses per common share for the Fund through economies of scale, which are expected to offset the Merger-related borne by each Fund over time, and may support higher common share net earnings and potentially higher distribution rates over time; (iii) improved secondary market trading for common shares as a result of the combined fund's greater share volume, which may lead to narrower bid-ask spreads and smaller trade-to-trade price movements and, over time, narrower trading discounts relative to net asset value; and (iv) increased portfolio and leverage management flexibility due to the larger asset base of the combined fund. Shares of each Fund currently are trading at a discount to net asset value. While management believes that a greater volume of shares may result in lower bid-ask spreads and narrower discounts over time, market and other factors besides trading volume also impact the discount and there is no assurance regarding the level of the Acquiring Fund's discount following the Merger.

The aggregate net asset value, as of the Valuation Time, of the Acquiring Fund common shares issued to each Target Fund shareholder in connection with the Merger will equal the aggregate net asset value of the Target Fund common shares held by such shareholder of the Target Fund as of the Valuation Time. Prior to the Valuation Time, the net asset values of the Target Fund and the Acquiring Fund will be reduced by the costs of the Merger borne by each Fund.

No fractional Acquiring Fund common shares will be distributed to the Target Fund's shareholders in connection with the Merger. The Acquiring Fund's transfer agent will aggregate all fractional Acquiring Fund common shares that may be due to Target Fund shareholders as of the Closing Date and will sell the resulting whole shares for the account of holders of all such fractional

interests at a value that may be higher or lower than net asset value, and each such holder will be entitled to a pro rata share of the proceeds from such sale. With respect to the aggregation and sale of fractional shares, the Acquiring Fund's transfer agent will act directly on behalf of the shareholders entitled to receive fractional shares and will accumulate fractional common shares, sell the shares and distribute the cash proceeds net of brokerage commissions, if any, directly to shareholders entitled to receive the fractional shares (without interest and subject to withholding taxes).

As a result of the Merger, including the issuance of additional common shares by the Acquiring Fund in connection with the Merger, shareholders of each Fund will hold a smaller percentage of the common shares of the combined fund as compared to their percentage holdings of their respective Fund prior to the Merger, and thus, shareholders will hold reduced percentages of ownership in the larger combined entity than they held in the Acquiring Fund or Target Fund individually. See Proposal No. 1 C. Information About the Merger Terms of the Merger.

The Merger will result in no reduction in net asset value of the Acquiring Fund's common shares, other than to reflect the costs of the Merger. It is expected that no gain or loss will be recognized by the Acquiring Fund for federal income tax purposes as a direct result of the Merger. To the extent that portfolio securities of the Target Fund are sold prior to the closing of the Merger, the Target Fund may realize gains or losses, which may increase or decrease the net capital gains or net investment income to be declared prior to the closing of the Merger and distributed by the Target Fund. The shareholders of the Target Fund will receive a proportionate share of any income and gains realized by the Acquiring Fund and not distributed to its shareholders prior to the closing of the Merger when such income and gains are eventually distributed by the Acquiring Fund. However, because the Target Fund's current portfolio composition is substantially identical to that of the Acquiring Fund, it is not currently expected that any significant portfolio sales will occur solely in connection with the Merger.

The Acquiring Fund will continue to operate following the Merger as a registered closed-end management investment company with the investment objective and policies described in this Joint Proxy Statement/Prospectus.

While applicable state and federal law does not require the shareholders of the Acquiring Fund to approve the Merger, applicable NYSE rules require shareholder approval of additional Acquiring Fund common shares to be issued in connection with the Merger.

Shareholder approval of the issuance of additional common shares of the Acquiring Fund requires the affirmative vote of a majority (more than 50%) of the votes cast on the proposal, provided a quorum is present. Because the approval of Proposal No. 2 does not require that a minimum percentage of the Acquiring Fund's outstanding common shares be voted in favor of the proposal, assuming the presence of a quorum, abstentions and broker non-votes will have no effect on the outcome of the vote on this proposal. Broker non-votes are shares held by brokers or nominees, typically in street name, as to which (1) instructions have not been received from the beneficial owners or persons entitled to vote and (2) the broker or nominee does not have discretionary authority to vote such shares.

The consummation of the Merger is contingent on the satisfaction or waiver of all closing conditions, including approval of the Merger proposals (Proposal Nos. 1 and 2) by the applicable Fund's shareholders and the elimination of the Acquiring Fund's Contingent Term Provision (Proposal No. 3).

The Board of the Acquiring Fund recommends that shareholders of the Acquiring Fund vote FOR the approval of the issuance of additional Acquiring Fund common shares in connection with the Merger.

PROPOSAL NO. 3 APPROVAL OF ELIMINATION OF FUNDAMENTAL POLICY FOR THE ACQUIRING FUND

(SHAREHOLDERS OF THE ACQUIRING FUND ONLY)

The Acquiring Fund currently seeks to achieve its investment objectives by investing primarily in a diversified portfolio of Build America Bonds (previously defined as BABs). Under normal circumstances, the Acquiring Fund will invest at least 80% of its managed assets in BABs, and may invest up to 20% of its Managed Assets in securities other than BABs, including taxable municipal securities that do not qualify for federal support, municipal securities the interest income from which is exempt from regular U.S. federal income tax (sometimes referred to as tax-exempt municipal securities), U.S. Treasury securities and obligations of the U.S. Government, its agencies and instrumentalities.

BABs were issued by state and local governments pursuant to the American Recovery and Reinvestment Act of 2009 to finance capital investment in essential service infrastructure projects. Unlike investments in most other municipal securities, interest received on BABs is subject to federal income tax and may be subject to state income tax. To accommodate the possibility that the BABs program would not be extended, the Acquiring Fund adopted at its inception a fundamental policy providing that, if for any twenty-four month period ending on or prior to December 31, 2014, there were no new issuances of BABs or other taxable municipal securities with interest payments subsidized by the U.S. Government through direct pay subsidies, the Fund would terminate on or around June 30, 2020; provided that the Board may extend the term of the Fund for up to six months after that date if deemed to be in the best interests of shareholders, but otherwise may not extend the term of the Fund without shareholder approval (the Acquiring Fund Contingent Term Provision). Under its Declaration of Trust, the Acquiring Fund has no limitation on its term of existence.

As of January 1, 2013, there have been no new issuances of BABs or similar U.S. Treasury-subsidized taxable municipal bonds for a 24-month period. Because of this, the Acquiring Fund Contingent Term Provision is now effective and the Acquiring Fund is scheduled to terminate on or around June 30, 2020. If the Acquiring Fund is terminated on such date, the Fund will liquidate all of its assets and, for each share owned, shareholders will receive an amount equal to the net asset value per share for each share owned on the termination date. Because of the steep decline in BAB market yields and resulting increase in BABs prices since the Funds launched, a significant portion of each Fund's portfolio currently is comprised of BABs with above-market purchase yields and sizeable unrealized capital gains. A liquidation of the full portfolio would cause the Fund to trigger potentially large taxable capital gain distributions as well as the loss of exposure to these bonds and those above-market purchase yields. In addition, the Acquiring Fund does not have an objective of returning its initial net asset value to shareholders and the net asset value as of the liquidation date may be more or less than the purchase price paid by shareholders. If the Acquiring Fund shares are trading at a discount to net asset value, the liquidation of the Acquiring Fund will allow shareholders to exit their position at the higher net asset value. The Acquiring Fund's shares historically have traded at a discount. The discount as of April 27, 2018, was (6.21)%.

Although BABs are no longer issued, the strong demand from buy-and-hold institutional investors has driven the relative scarcity and significant tightening (shrinking) of credit spreads (the amount of additional yield paid on bonds of lower credit quality) for these types of securities. In addition, Nuveen Fund Advisors believes that BABs remain an attractive investment opportunity due to their distinctive characteristics and has proposed certain changes to the policies of the Acquiring

Fund, which are designed to offer Fund shareholders (including shareholders of the Target Fund as shareholders of the combined fund following the Merger) the opportunity to retain their investment exposure to the scarce supply of BABs while also preserving the Funds' current attractive above-market purchase yields and deferring taxable capital gain distributions, if any. However, in anticipation of the termination date, Nuveen Asset Management has begun to take steps to enhance portfolio liquidity, which has resulted in downward pressure on earnings. This transitioning of the Acquiring Fund's investment portfolio would not be necessary if the Fund was a perpetual fund. The elimination of the Acquiring Fund Contingent Term Provision, effectively converting the Acquiring Fund from a term structure to a perpetual structure, combined with the Fund's adoption of certain changes to its name and non-fundamental investment policies to implement a broader taxable municipal bond investment mandate that over time is intended to promote increased diversification of credit and total return opportunities by investing at least 80% of its assets in taxable municipal securities, will allow the Fund's portfolio managers to retain less liquid, higher yielding securities as well as pursue attractive investment opportunities across the taxable municipal bond market without regard to liquidity at the termination date to the extent permitted by its current and post-Merger investment policies. These policies are not changing in connection with the proposals. Over time, Nuveen Fund Advisors believes such flexibility should enhance common share net earnings and distribution potential.

Nuveen Fund Advisors has recommended and the Board, including the independent Board members, of the Acquiring Fund has unanimously approved, and unanimously recommends that shareholders of the Acquiring Fund approve the elimination of the Acquiring Fund Contingent Term Provision in order to enable the Acquiring Fund to continue its investment activities beyond June 30, 2020. By eliminating the Acquiring Fund's Contingent Term Provision, the Acquiring Fund will have transitioned from a term structure to a perpetual structure. As a result, Acquiring Fund shareholders (including Target Fund shareholders as shareholders of the combined fund following the Merger) would be foregoing the potential incremental return from receiving the then-current net asset value at the Fund's liquidation, which may be higher than the market price for the Fund's common shares at such time. In consideration of the foregoing, the Board has authorized the Acquiring Fund to conduct a tender offer following the elimination of its Contingent Term Provision pursuant to which the Fund will offer to purchase up to 20% of its then outstanding common shares (previously defined as the Tender Offer) at a price per share, without interest, equal to the net asset value per share of its common shares as determined as of the close of regular trading on the NYSE on the expiration date of the Tender Offer, less a repurchase fee attributable to the direct costs of the Tender Offer. Such costs may include, but are not limited to, legal fees and printing, mailing and other expenses. Based on information provided by Nuveen Fund Advisors, the Board estimates that the repurchase fee will be approximately 0.10% of the value of each share tendered.

The Acquiring Fund expects to publicly announce the Tender Offer within 60 days, with payment for common shares purchased in the Tender Offer to take place within 120 days, of the closing of the Merger (if all of the approvals required for the Merger are received), or completion of the shareholder meeting, including any adjournments thereof (if all of the approvals for the Merger are not received but the elimination of the Acquiring Fund's Contingent Term Provision is approved), if the Acquiring Fund's common shares are trading below net asset value on average over the 10 trading day period preceding the Fund's announcement of the Tender Offer.

A sale of Acquiring Fund common shares in the Tender Offer will be a taxable transaction for U.S. federal income tax purposes. Depending on the particular circumstances of a participating Acquiring Fund shareholder, and the number of shares tendered and purchased pursuant to the Tender Offer, the sale of shares pursuant to the Tender Offer will be treated as either (i) a sale or exchange of those shares, producing gain or loss equal to the difference, if any, between the amount of cash received and the shareholder's adjusted tax basis in the shares sold pursuant to the offer, or (ii) the

receipt of a distribution from the Acquiring Fund, taxable as a dividend to the extent of such shareholder's allocable share of the Acquiring Fund's current and accumulated earnings and profits.

In order to pay for common shares purchased in the Tender Offer, the Acquiring Fund will be required to sell a portion of its portfolio investments. The Acquiring Fund may be required to make such sales under adverse market or economic conditions, which could result in the Fund selling portfolio investments at prices lower than the values at which the Fund carries the investments on its books. The Acquiring Fund currently has significant capital loss carryforwards. However, if, at the time of sale, the Acquiring Fund's portfolio investments being sold have appreciated in value and the realized gains from such sale were to exceed the amount of the Acquiring Fund's available capital loss carryforwards, the sale would result in realization of capital gains or investment income that may then need to be distributed to Fund shareholders. In such event, which Nuveen Fund Advisors believes to be unlikely, this may result in U.S. federal income tax liability for persons who remain Acquiring Fund shareholders following the completion of the Tender Offer.

The Adviser believes that eliminating the term feature will allow shareholders to maintain investment exposure to a portfolio that has historically provided attractive yields relative to other taxable municipal securities and will allow shareholders to defer the recognition of potentially sizeable taxable gains, if any. Approval of this proposal will also allow the Merger to occur, which may result in benefits to the combined fund from economics of scale. See Proposal No. 1 beginning at page 1 and Proposal No. 2 beginning at page 66.

Shareholder approval of the elimination of the Acquiring Fund Contingent Term Provision requires the affirmative vote of the holders of a majority of the outstanding voting securities of the Acquiring Fund as is defined in the 1940 Act. For this purpose, a majority of the outstanding voting securities means the vote of (1) 67% or more of the Acquiring Fund's common shares present at a meeting, if the holders of more than 50% of the Acquiring Fund's common shares are present or represented by proxy; or (2) more than 50% of the Acquiring Fund's outstanding common shares, whichever is less. Because the approval of Proposal No. 3 requires that a minimum percentage of the Acquiring Fund's outstanding common shares be voted in favor of the proposal, abstentions and broker non-votes will have the same effect as a vote against this proposal. Broker non-votes are shares held by brokers or nominees, typically in street name, as to which (1) instructions have not been received from the beneficial owners or persons entitled to vote and (2) the broker or nominee does not have discretionary authority to vote such shares.

If the requisite shareholder approval to eliminate the Acquiring Fund Contingent Term Provision is not obtained, the Merger, Tender Offer, non-fundamental investment policy changes and name change will not occur and the Acquiring Fund will continue to operate under its current name and investment policies until it terminates on or around June 30, 2020, and the Fund will distribute all of its net assets to shareholders of record as of the date of liquidation. If the Merger does not take effect, shareholders will forego any potential benefits that may arise from economies of scale resulting from the larger asset size of the combined fund following the closing of the Merger.

If this Proposal No. 3 is approved by shareholders of the Acquiring Fund, the Acquiring Fund Contingent Term Provision will be eliminated and the Tender Offer will be announced, regardless of whether or not the Merger proposals (Proposal Nos. 1 and 2) are approved by the Funds shareholders. If the Merger is consummated, the Acquiring Fund's non-fundamental investment policy change and name change will take effect as of the closing date or as soon as practicable thereafter. Otherwise, these changes will take effect upon completion of the shareholder meeting, including any adjournments thereof.

The Board of the Acquiring Fund recommends that shareholders of the Acquiring Fund vote FOR the elimination of the Acquiring Fund Contingent Term Provision.

PROPOSAL NO. 4 THE ELECTION OF BOARD MEMBERS (SHAREHOLDERS OF EACH FUND)

Pursuant to the organizational documents of each Fund, the Board is divided into three classes (Class I, Class II and Class III), to be elected by the holders of the outstanding shares to serve until the third succeeding annual meeting of shareholders subsequent to their election or thereafter, in each case until their successors have been duly elected and qualified.

Four (4) Board Members are to be elected by holders of shares. Board Members Cook, Evans, Moschner and Schneider have been designated as Class III Board Members and are nominees for election at the Annual Meeting to serve for a term expiring at the 2021 annual meeting of shareholders or until their successors have been duly elected and qualified. Board Members Hunter, Nelson, Toth, Stockdale, Stone, Young and Wolff are current and continuing Board Members. Board Members Hunter, Stockdale, Stone and Wolff have been designated as Class I Board Members for a term expiring at the 2019 annual meeting of shareholders or until their successors have been duly elected and qualified. Board Members Nelson, Toth and Young have been designated as Class II Board Members for a term expiring at the 2020 annual meeting of shareholders or until their successors have been duly elected and qualified.

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

Class III Board Members Evans and Schneider were last elected at the annual meeting of shareholders held on August 5, 2015. Class III Board Members Cook and Moschner were appointed to the Board on June 22, 2016, effective as of July 1, 2016. Class I Board Members Hunter, Stockdale, Stone and Wolff were last elected at the annual meeting of shareholders held on August 3, 2016. Class II Board Members Nelson, Toth and Young were last elected at the annual meeting of shareholders held on August 2, 2017.

Other than Board Member Cook, each of the Board Members and Board Member nominees is not an interested person, as defined in the 1940 Act, of the Fund or of Nuveen Fund Advisors, LLC (previously defined as Nuveen Fund Advisors or the Adviser), the investment adviser to the Fund, and has never been an employee or director of the Adviser, the Adviser's parent company, or any affiliate. Accordingly, such Board Members are deemed Independent Board Members.

For each Fund, the affirmative vote of a plurality (the greatest number of affirmative votes) of the shares present and entitled to vote at the Annual Meeting will be required to elect each Board Member of that Fund. When there are four (4) nominees for election to the Board, as is the case here, a vote by plurality means the four nominees with the highest number of affirmative votes, regardless of the votes withheld for the nominees, will be elected. Because the election of Board Members does not require that a minimum percentage of a Fund's outstanding common shares be voted in favor of any nominee, assuming the presence of a quorum, abstentions and broker non-votes will have no effect on the outcome of the election of that Fund's Board Members.

The Board of each Fund unanimously recommends that shareholders vote FOR the election of each Board Member identified in the table below as designated as a Class III Board Member.

Board Nominees/Board Members

Name, Address and Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served⁽¹⁾	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member During the Past Five Years
Nominees/Board Members who are not interested persons of the Funds					
William J. Schneider ⁽²⁾ c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1944	Chairman of the Board; Board Member	Term: Class III Board Member until 2018 annual shareholder meeting Length of Service: Since 1996, Chairman of the Board Since July 1, 2013	Chairman of Miller-Valentine Partners Ltd., a real estate investment company; Board Member of WDPR Public Radio Station; formerly, Senior Partner and Chief Operating Officer (retired, 2004) of Miller-Valentine Group; formerly, Director, Dayton Development Coalition; formerly, Board Member, Business Advisory Council, Cleveland Federal Reserve Bank and University of Dayton Business School Advisory Council.	175	None
Jack B. Evans c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1948	Board Member	Term: Class III Board Member until 2018 annual shareholder meeting Length of Service: Since 1999	President, The Hall-Perrine Foundation, a private philanthropic corporation (since 1996); Public Member Director, (since 2015) American Board of Orthopaedic Surgery; Life Trustee of Coe College and Iowa College Foundation; formerly, Director, Federal Reserve Bank of Chicago; formerly, President and Chief Operating Officer, SCI Financial Group, Inc., a regional financial services firm; formerly, Member and President Pro Tem of the Board of Regents for the State of Iowa University System; formerly, Director, The Gazette Company.	175	Director and Chairman, United Fire Group, a publicly held company; formerly, Director, Alliant Energy.

Name, Address and Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member During the Past Five Years
William C. Hunter c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1948	Board Member	Term: Class I Board Member until 2019 annual shareholder meeting Length of Service: Since 2004	Dean Emeritus (since 2012), formerly, Dean (2006-2012), Henry B. Tippie College of Business, University of Iowa; past Director (2005-2015) and past President (2010-2014), Beta Gamma Sigma, Inc., The International Business Honor Society; formerly, Director (1997-2007), Credit Research Center at Georgetown University; formerly, Dean and Distinguished Professor of Finance, School of Business at the University of Connecticut (2003-2006); previously, Senior Vice President and Director of Research at the Federal Reserve Bank of Chicago (1995-2003).	175	Director (since 2009) of Wellmark, Inc; Director (since 2004) of Xerox Corporation.
Albin F. Moschner c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1952	Board Member	Term: Class III Board Member until 2018 annual shareholder meeting Length of Service: Since 2016	Founder and Chief Executive Officer, Northcroft Partners, LLC, a management consulting firm (since 2012); previously, held positions at Leap Wireless International, Inc., including Consultant (2011-2012), Chief Operating Officer (2008-2011), and Chief Marketing Officer (2004-2008); formerly, President, Verizon Card Services division of Verizon Communications, Inc. (2000-2003); formerly, President, One Point Services at One Point Communications (1999-2000); formerly, Vice Chairman of the Board, Diba, Incorporated (1996-1997); formerly, various executive positions with Zenith Electronics Corporation (1991-1996).	175	Director, USA Technologies, Inc., a provider of solutions and services to facilitate electronic payment transactions (since 2012); formerly, Director, Wintrust Financial Corporation (1996-2016).

Name, Address and Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member During the Past Five Years
John K. Nelson c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1962	Board Member	Term: Class II Board Member until 2020 annual shareholder meeting Length of Service: Since 2013	Member of Board of Directors of Core12 LLC (since 2008), a private firm which develops branding, marketing and communications strategies for clients; Director of The Curran Center for Catholic American Studies (since 2009) and The President's Council, Fordham University (since 2010); formerly, senior external advisor to the financial services practice of Deloitte Consulting LLP (2012-2014); formerly, Chief Executive Officer of ABN AMRO N.V. North America, and Global Head of its Financial Markets Division (2007-2008); prior senior positions held at ABN AMRO include Corporate Executive Vice President and Head of Global Markets - the Americas (2006-2007), CEO of Wholesale Banking - North America and Global Head of Foreign Exchange and Futures Markets (2001-2006), and Regional Commercial Treasurer and Senior Vice President Trading - North America (1996-2001); formerly, Trustee at St. Edmund Preparatory School in New York City; formerly, Chair of the Board of Trustees of Marian University (2011-2014).	175	None
Judith M. Stockdale c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1947	Board Member	Term: Class I Board Member until 2019 annual shareholder meeting Length of Service: Since 1997	Board Member of the U.S. Endowment for Forestry and Communities (since 2013); Board Member of the Land Trust Alliance (since 2013); formerly, Executive Director (1994-2012), Gaylord and Dorothy Donnelley Foundation; prior thereto, Executive Director, Great Lakes Protection Fund (1990-1994).	175	None

Name, Address and Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member During the Past Five Years
Carole E. Stone c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1947	Board Member	Term: Class I Board Member until 2019 annual shareholder meeting Length of Service: Since 2007	Former Director, Chicago Board Options Exchange, Inc. (2006-2017) and C2 Options Exchange, Incorporated (2009-2017); formerly, Commissioner, New York State Commission on Public Authority Reform (2005-2010).	175	Director, CBOE Global Markets, Inc., formerly, CBOE Holdings, Inc. (since 2010).
Terence J. Toth ⁽³⁾ c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1959	Board Member	Term: Class II Board Member until 2020 annual shareholder meeting Length of Service: Since 2008	Formerly, Co-Founding Partner, Promus Capital (2008-2017); Director, Fulcrum IT Service LLC (since 2010), Quality Control Corporation (since 2012); formerly Director, LogicMark LLC (2012-2016); formerly, Director, Legal & General Investment Management America, Inc. (2008-2013); formerly, CEO and President, Northern Trust Global Investments (2004-2007); Executive Vice President, Quantitative Management & Securities Lending (2000-2004); prior thereto, various positions with Northern Trust Company (since 1994); Member, Chicago Fellowship Board (since 2005), Catalyst Schools of Chicago Board (since 2008) and Mather Foundation Board (since 2012) and Chair of its Investment Committee; formerly, Member, Northern Trust Mutual Funds Board (2005-2007), Northern Trust Global Investments Board (2004-2007), Northern Trust Japan Board (2004-2007), Northern Trust Securities Inc. Board (2003-2007) and Northern Trust Hong Kong Board (1997-2004).	175	None

Name, Address and Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member During the Past Five Years
Margaret L. Wolff c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1955	Board Member	Term: Class I Board Member until 2019 annual shareholder meeting Length of Service: Since 2016	Formerly, Of Counsel, Skadden, Arps, Slate, Meagher & Flom LLP (Mergers & Acquisitions Group) (2005-2014); Member of the Board of Trustees of New York-Presbyterian Hospital (since 2005); Member (since 2004) and Chair (since 2015) of the Board of Trustees of The John A. Hartford Foundation (a philanthropy dedicated to improving the care of older adults); formerly, Member (2005-2015) and Vice Chair (2011-2015) of the Board of Trustees of Mt. Holyoke College.	175	Formerly, Member of the Board of Directors (2013-2017) of Travelers Insurance Company of Canada and The Dominion of Canada General Insurance Company (each, a part of Travelers Canada, the Canadian operation of The Travelers Companies, Inc.).
Robert L. Young ⁽⁴⁾ c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1963	Board Member	Term: Class II Board Member until 2020 annual shareholder meeting Length of Service: Since 2017	Formerly, Chief Operating Officer and Director, J.P. Morgan Investment Management Inc. (2010-2016); formerly, President and Principal Executive Officer (2013-2016), and Senior Vice President and Chief Operating Officer (2005-2010) of J.P. Morgan Funds; formerly, Director and various officer positions for J.P. Morgan Investment Management Inc. (formerly, JPMorgan Funds Management, Inc. and formerly, One Group Administrative Services) and JPMorgan Distribution Services, Inc. (formerly, One Group Dealer Services, Inc.) (1999-2017).	173	None

Name, Address and Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member During the Past Five Years
Nominee/Board Member who is an interested person of the Funds					
Margo L. Cook ⁽⁵⁾ c/o Nuveen 333 West Wacker Drive Chicago, IL 60606 1964	Board Member	Term: Class III Board Member until 2018 annual shareholder meeting Length of Service: Since 2016	President (since 2017), formerly, Co-Chief Executive Officer and Co-President (2016-2017), formerly, Senior Executive Vice President of Nuveen Investments, Inc.; Executive Vice President (since 2017) of Nuveen LLC; President (since 2017), formerly, Co-President (2016-2017), formerly, Senior Executive Vice President (2015-2016) of Nuveen Fund Advisors, LLC (Executive Vice President since 2011); President, Global Products and Solutions (since July 2017), and Co-Chief Executive Officer (since 2015), formerly, Co-President (2015-2017) and Executive Vice President (2013-2015), of Nuveen Securities, LLC; President (since 2017), Nuveen Alternative Investments, LLC; Chartered Financial Analyst.	175	None

- (1) Length of Time Served indicates the year in which the individual became a Board Member of a fund in the Nuveen fund complex.
- (2) Board Member Schneider is one of several owners and managing members in two limited liability companies and a general partner and one member of the governing body of a general partnership, each engaged in real estate ownership activities. In connection with their ordinary course of investment activities, court appointed receivers have been named for certain individual properties owned by such entities. The individual properties for which a receiver has been appointed represent an immaterial portion of the portfolio assets owned by these entities.
- (3) Board Member Toth has been appointed Chairman of the Board, to take effect July 1, 2018. He serves as a director on the Board of Directors of the Mather Foundation (the Foundation) and is a member of its investment committee. The Foundation is the parent of the Mather LifeWays organization, a non-profit charitable organization. Prior to Board Member Toth joining the Board of the Foundation, the Foundation selected Gresham Investment Management (Gresham), an affiliate of the Adviser, to manage a portion of the Foundation s investment portfolio, and pursuant to this selection, the Foundation has invested that portion of its investment portfolio in a private commodity pool managed by Gresham.
- (4) Board Member Young is a Board Member of each of the Nuveen funds except Nuveen Diversified Dividend and Income Fund and Nuveen Real Estate Income Fund.
- (5) Board Member Cook is an interested person as defined in the 1940 Act by reason of her position with Nuveen, LLC and/or certain of its subsidiaries.

Board Members Investments in the Funds and the Adviser

In order to create an appropriate identity of interests between Board Members and shareholders, the Boards of Trustees of the Nuveen funds have adopted a governance principle pursuant to which each Board Member is expected to invest, either directly or on a deferred basis, at least the equivalent of one year of compensation in the funds in the Nuveen fund complex.

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The following table sets forth for each Board Member the dollar range of equity securities beneficially owned in each Fund and all Nuveen funds overseen by the Board Member as of December 31, 2017:

Dollar Range of Equity Securities

Name of Board Member/Nominee	Target Fund	Acquiring Fund	Family of Investment Companies ⁽¹⁾
Board Members/Nominees who are not interested persons of the Fund			
Jack B. Evans	None	None	Over \$100,000
William C. Hunter	None	None	Over \$100,000
Albin F. Moschner	None	None	Over \$100,000
John K. Nelson	None	None	Over \$100,000
William J. Schneider	None	None	Over \$100,000
Judith M. Stockdale	None	None	Over \$100,000
Carole E. Stone	None	None	Over \$100,000
Terence J. Toth	None	None	Over \$100,000
Margaret L. Wolff	None	None	Over \$100,000
Robert L. Young	None	None	\$50,001-\$100,000
Board Member/Nominee who is an interested person of the Fund			
Margo L. Cook	None	None	Over \$100,000

(1) The amounts reflect the aggregate dollar range of equity securities beneficially owned by the Board Member in all Nuveen funds overseen by the Board Member as of December 31, 2017.

No Independent Board Member or his or her immediate family member owns beneficially or of record any security of Nuveen Fund Advisors, Nuveen Asset Management, LLC, the Funds' sub-adviser (previously defined as Nuveen Asset Management or the Sub-Adviser), Nuveen or any person (other than a registered investment company) directly or indirectly controlling, controlled by or under common control with Nuveen Fund Advisors, Nuveen Asset Management or Nuveen.

As of December 31, 2017, Board Members and officers as a group beneficially owned approximately 1.3 million shares of all funds managed by the Adviser (including shares held by the Board Members through the Deferred Compensation Plan for Independent Board Members and by officers in Nuveen's 401(k)/profit sharing plan). As of March 1, 2018, each Board Member's individual beneficial shareholdings of each Fund constituted less than 1% of the outstanding shares of the Fund. As March 1, 2018, the Board Members and officers of the Fund as a group beneficially owned less than 1% of the total outstanding shares of each Fund. Information regarding beneficial owners of 5% or more of any class of shares of any Fund is provided under General Information Shareholders of the Target Fund and the Acquiring Fund.

Compensation

Effective January 1, 2018, each Independent Board Member receives a \$185,000 annual retainer, increased from \$177,500 as of January 1, 2017, plus: (1) a fee of \$6,000 per day, which was increased from \$5,750 per day as of January 1, 2017, for attendance in person or by telephone at regularly scheduled meetings of the Board; (2) a fee of \$3,000 per meeting for attendance in person or by telephone at special, non-regularly scheduled meetings of the Board where in-person attendance is

required and \$2,000 per meeting for attendance by telephone or in person at such meetings where in-person attendance is not required; (3) a fee of \$2,500 per meeting for attendance in person or by telephone at Audit Committee meetings where in-person attendance is required and \$2,000 per meeting for attendance by telephone or in person at such meetings where in-person attendance is not required; (4) a fee of \$2,500 per meeting for attendance in person or by telephone at Compliance, Risk Management and Regulatory Oversight Committee meetings where in-person attendance is required and \$2,000 per meeting for attendance by telephone or in person at such meetings where in-person attendance is not required; (5) a fee of \$1,000 per meeting for attendance in person or by telephone at Dividend Committee meetings; (6) a fee of \$2,500 per meeting for attendance in person or by telephone at Closed-End Funds Committee meetings where in-person attendance is required and \$2,000 per meeting for attendance by telephone or in person at such meetings where in-person attendance is not required, provided that no fees are received for meetings held on days on which regularly scheduled Board meetings are held; and (7) a fee of \$500 per meeting for attendance in person or by telephone at all other committee meetings (\$1,000 for shareholder meetings) where in-person attendance is required and \$250 per meeting for attendance by telephone or in person at such committee meetings (excluding shareholder meetings) where in-person attendance is not required, and \$100 per meeting when the Executive Committee acts as pricing committee for IPOs, plus, in each case, expenses incurred in attending such meetings; provided that no fees are received for meetings held on days on which regularly scheduled Board meetings are held. In addition to the payments described above, the Chairman of the Board receives \$90,000, increased from \$80,000, and the chairpersons of the Audit Committee, the Dividend Committee, the Compliance, Risk Management and Regulatory Oversight Committee, the Closed-End Funds Committee and the Nominating and Governance Committee receive \$12,500 each as additional annual retainers. Independent Board Members also receive a fee of \$3,000 per day for site visits to entities that provide services to the Nuveen funds on days on which no Board meeting is held. When ad hoc committees are organized, the Nominating and Governance Committee will at the time of formation determine compensation to be paid to the members of such committee; however, in general, such fees will be \$1,000 per meeting for attendance in person or by telephone at ad hoc committee meetings where in-person attendance is required and \$500 per meeting for attendance by telephone or in person at such meetings where in-person attendance is not required. The annual retainer, fees and expenses are allocated among the Nuveen funds on the basis of relative net assets, although management may, in its discretion, establish a minimum amount to be allocated to each fund. In certain instances fees and expenses will be allocated only to those Nuveen funds that are discussed at a given meeting.

The Funds do not have retirement or pension plans. Certain Nuveen funds (the Participating Funds), including the Acquiring Fund, participate in a deferred compensation plan (the Deferred Compensation Plan) that permits an Independent Board Member to elect to defer receipt of all or a portion of his or her compensation as an Independent Board Member. The deferred compensation of a participating Independent Board Member is credited to a book reserve account of the Participating Fund when the compensation would otherwise have been paid to such Independent Board Member. The value of an Independent Board Member's deferral account at any time is equal to the value that the account would have had if contributions to the account had been invested and reinvested in shares of one or more of the eligible Nuveen funds. At the time for commencing distributions from an Independent Board Member's deferral account, the Independent Board Member may elect to receive distributions in a lump sum or over a period of five years. The Participating Fund will not be liable for any other fund's obligations to make distributions under the Deferred Compensation Plan.

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The Funds have no employees. The officers of the Funds and each Board Member who is not an Independent Board Member serve without any compensation from the Funds.

The table below shows, for each Independent Board Member, the aggregate compensation paid by each Fund to the Independent Board Member/nominee for its last fiscal year:

Aggregate Compensation from the Fund⁽¹⁾

Fund	Jack B. Evans	William C. Hunter	David J. Kundert ⁽²⁾	Albin E. Moschner ⁽³⁾	John K. Nelson	William J. Schneider	Judith M. Stockdale	Carole E. Stone	Terence J. Toth	Margaret L. Wolff	Robert L. Young ⁽⁴⁾
Target Fund	\$ 1,929	\$ 1,822	\$ 2,001	\$ 813	\$ 1,996	\$ 2,288	\$ 1,795	\$ 1,979	\$ 1,910	\$ 1,601	\$
Acquiring Fund	502	473	484	212	518	565	466	501	496	401	\$
Total Compensation from Nuveen Funds Paid to Board Members/Nominees	\$ 352,156	\$ 337,875	\$ 365,903	\$ 318,125	\$ 366,125	\$ 420,018	\$ 329,708	\$ 358,638	\$ 355,825	\$ 329,503	\$ 82,708

(1) Includes deferred fees. Pursuant to a Deferred Compensation Plan with certain of the Funds, deferred amounts are treated as though an equivalent dollar amount has been invested in shares of one or more Participating Funds. Total deferred fees for the Funds (including the return from the assumed investment in the Participating Funds) payable are:

Fund	Jack B. Evans	William C. Hunter	David J. Kundert ⁽²⁾	Albin E. Moschner ⁽³⁾	John K. Nelson	William J. Schneider	Judith M. Stockdale	Carole E. Stone	Terence J. Toth	Margaret L. Wolff	Robert L. Young ⁽⁴⁾
Target Fund	\$ 189	\$	\$ 2,001	\$	\$	\$ 2,288	\$ 178	\$ 1,013	\$	\$ 566	\$
Acquiring Fund											

(2) Mr. Kundert retired from the Board effective December 31, 2017.

(3) On June 22, 2016, Mr. Moschner was appointed to the Board effective July 1, 2016.

(4) Mr. Young was appointed to the Board effective July 1, 2017.

Board Leadership Structure and Risk Oversight

The Board of each Fund oversees the operations and management of the Fund, including the duties performed for the Funds by the Adviser. The Board has adopted a unitary board structure. A unitary board consists of one group of board members who serves on the board of every fund in the complex. In adopting a unitary board structure, the Board Members seek to provide effective governance through establishing a board, the overall composition of which will, as a body, possess the appropriate skills, independence and experience to oversee the Nuveen funds' business. With this overall framework in mind, when the Board, through its Nominating and Governance Committee discussed below, seeks nominees for the Board, the Board Members consider, not only the candidate's particular background, skills and experience, among other things, but also whether such background, skills and experience enhance the Board's diversity and at the same time complement the Board given its current composition and the mix of skills and experiences of the incumbent Board Members. The Nominating and Governance Committee believes that the Board generally benefits from diversity of background, experience and views among its members, and considers this a factor in evaluating the composition of the Board, but has not adopted any specific policy on diversity or any particular definition of diversity.

The Board believes the unitary board structure enhances good and effective governance, particularly given the nature of the structure of the investment company complex. Funds in the same complex generally are served by the same service providers and personnel and are governed by the same regulatory scheme which raises common issues that must be addressed by the Board Members across the fund complex (such as compliance, valuation, liquidity, brokerage, trade allocation or risk management). The Board believes it is more efficient to have a single board review and oversee common policies and procedures, which increases the Board's knowledge and expertise with respect to the many aspects of fund operations that are complex-wide in nature. The unitary structure also enhances the Board's influence and oversight over the Adviser and other service providers.

In an effort to enhance the independence of the Board, the Board also has a Chairman that is an Independent Board Member. The Board recognizes that a chairman can perform an important role in setting the agenda for the Board, establishing the boardroom culture, establishing a point person on behalf of the Board for Fund management and reinforcing the Board's focus on the long-term interests of shareholders. The Board recognizes that a chairman may be able to better perform these functions without any conflicts of interests arising from a position with Fund management. William J. Schneider currently serves as the independent Chairman of the Board. Effective July 1, 2018, Terence J. Toth will replace Mr. Schneider as the Independent Chairman of the Board. Specific responsibilities of the Chairman include: (1) presiding at all meetings of the Board and of the shareholders; (2) seeing that all orders and resolutions of the Board Members are carried into effect; and (3) maintaining records of and, whenever necessary, certifying all proceedings of the Board Members and the shareholders.

Although the Board has direct responsibility over various matters (such as advisory contracts, underwriting contracts and Fund performance), the Board also exercises certain of its oversight responsibilities through several committees that it has established and which report back to the full Board. The Board believes that a committee structure is an effective means to permit Board Members to focus on particular operations or issues affecting the Funds, including risk oversight. More specifically, with respect to risk oversight, the Board has delegated matters relating to valuation and compliance to certain committees (as summarized below) as well as certain aspects of investment risk. In addition, the Board believes that the periodic rotation of Board Members among the different committees allows the Board Members to gain additional and different perspectives of a Fund's operations. The Board has established six standing committees: the Executive Committee; the Dividend Committee; the Audit Committee; the Compliance, Risk Management and Regulatory Oversight Committee; the Nominating and Governance Committee; and the Closed-End Funds Committee. The Board may also from time to time create ad hoc committees to focus on particular issues as the need arises. The membership and functions of the standing committees are summarized below.

Executive Committee. The Executive Committee, which meets between regular meetings of the Board, is authorized to exercise all of the powers of the Board. As of January 1, 2018, the members of the Executive Committee are William J. Schneider, Chair, Margo L. Cook and Terence J. Toth. During the fiscal year ended March 31, 2018, the Executive Committee did not meet.

Dividend Committee. The Dividend Committee is authorized to declare distributions on each Fund's shares including, but not limited to, regular and special dividends, capital gains and ordinary income distributions. As of January 1, 2018, the members of the Dividend Committee are William C. Hunter, Chair, Albin F. Moschner, Terence J. Toth and Margaret L. Wolff. During the fiscal year ended March 31, 2018, the Dividend Committee met 4 times.

Audit Committee. The Board has an Audit Committee, in accordance with Section 3(a)(58)(A) of the Exchange Act, that is composed of Independent Board Members who are also independent as that term is defined in the listing standards pertaining to closed-end funds of the NYSE. The Audit Committee assists the Board in: the oversight and monitoring of the accounting and reporting policies, processes and practices of Funds, and the audits of the financial statements of the Funds; the quality and integrity of the financial statements of the Funds; the Funds compliance with legal and regulatory requirements relating to the Funds financial statements; the independent auditors qualifications, performance and independence; and the pricing procedures of the Funds and the internal valuation group of Nuveen. It is the responsibility of the Audit Committee to select, evaluate and replace any independent auditors (subject only to Board and, if applicable, shareholder ratification) and to determine their compensation. The Audit Committee is also responsible for, among other things, overseeing the valuation of securities comprising the Funds portfolios. Subject to the Board's general supervision of such actions, the Audit Committee addresses any valuation issues, oversees the Funds pricing procedures and actions taken by Nuveen's internal valuation group which provides regular reports to the Audit Committee, reviews any issues relating to the valuation of the Funds securities brought to its attention, and considers the risks to the Funds in assessing the possible resolutions of these matters. The Audit Committee may also consider any financial risk exposures for the Funds in conjunction with performing its functions.

To fulfill its oversight duties, the Audit Committee receives annual and semi-annual reports and has regular meetings with the external auditors for the Funds and the internal audit group at Nuveen. The Audit Committee also may review, in a general manner, the processes the Board or other Board committees have in place with respect to risk assessment and risk management as well as compliance with legal and regulatory matters relating to the Funds financial statements. The Audit Committee operates under a written Audit Committee Charter (the Charter) adopted and approved by the Board, which Charter conforms to the listing standards of the NYSE. Members of the Audit Committee are independent (as set forth in the Charter) and free of any relationship that, in the opinion of the Board Members, would interfere with their exercise of independent judgment as an Audit Committee member. A copy of the Charter is attached as [Appendix B](#) to this Joint Proxy Statement/Prospectus and is available at www.nuveen.com/closed-end-funds/resources/fund-governance. As of January 1, 2018, the members of the Audit Committee are Jack B. Evans, Chair, William C. Hunter, John K. Nelson, Carole E. Stone and Terence J. Toth, each of whom is an Independent Board Member of the Funds. During the fiscal year ended March 31, 2018, the Audit Committee met 4 times.

Compliance, Risk Management and Regulatory Oversight Committee. The Compliance, Risk Management and Regulatory Oversight Committee (the Compliance Committee) is responsible for the oversight of compliance issues, risk management and other regulatory matters affecting the Funds that are not otherwise under or within the jurisdiction of the other committees. The Board has adopted and periodically reviews policies and procedures designed to address the Funds compliance and risk matters. As part of its duties, the Compliance Committee: reviews the policies and procedures relating to compliance matters and recommends modifications thereto as necessary or appropriate to the full Board; develops new policies and procedures as new regulatory matters affecting the Funds arise from time to time; evaluates or considers any comments or reports from examinations from regulatory authorities and responses thereto; and performs any special reviews, investigations or other oversight responsibilities relating to risk management, compliance and/or regulatory matters as requested by the Board.

In addition, the Compliance Committee is responsible for risk oversight, including, but not limited to, the oversight of risks related to investments and operations. Such risks include, among other things, exposures to: particular issuers, market sectors or types of securities; risks related to product structure elements, such as leverage; and techniques that may be used to address those risks, such as hedging and swaps. In assessing issues brought to the Compliance Committee's attention or in reviewing a particular policy, procedure, investment technique or strategy, the Compliance Committee evaluates the risks to the Funds in adopting a particular approach or resolution compared to the anticipated benefits to the Funds and its shareholders. In fulfilling its obligations, the Compliance Committee meets on a quarterly basis, and at least once a year in person. The Compliance Committee receives written and oral reports from the Funds' Chief Compliance Officer (CCO) and meets privately with the CCO at each of its quarterly meetings. The CCO also provides an annual report to the full Board regarding the operations of the Funds' and other service providers' compliance programs as well as any recommendations for modifications thereto. The Compliance Committee also receives reports from the investment services group of Nuveen regarding various investment risks. Notwithstanding the foregoing, the full Board also participates in discussions with management regarding certain matters relating to investment risk, such as the use of leverage and hedging. The investment services group therefore also reports to the full Board at its quarterly meetings regarding, among other things, Fund performance and the various drivers of such performance. Accordingly, the Board directly and/or in conjunction with the Compliance Committee oversees matters relating to investment risks. Matters not addressed at the committee level are addressed directly by the full Board. The Compliance Committee operates under a written charter adopted and approved by the Board, a copy of which is available on the Funds' website at www.nuveen.com/closed-end-funds/resources/fund-governance. As of January 1, 2018, the members of the Compliance Committee are John K. Nelson, Chair, Albin F. Moschner, Judith M. Stockdale, Margaret L. Wolff and Robert L. Young. During the fiscal year ended March 31, 2018, the Compliance Committee met 9 times.

Nominating and Governance Committee. The Nominating and Governance Committee is responsible for seeking, identifying and recommending to the Board qualified candidates for election or appointment to the Board. In addition, the Nominating and Governance Committee oversees matters of corporate governance, including the evaluation of Board performance and processes, the assignment and rotation of committee members and the establishment of corporate governance guidelines and procedures, to the extent necessary or desirable, and matters related thereto. Although the unitary and committee structure has been developed over the years and the Nominating and Governance Committee believes the structure has provided efficient and effective governance, the Nominating and Governance Committee recognizes that, as demands on the Board evolve over time (such as through an increase in the number of funds overseen or an increase in the complexity of the issues raised), the Nominating and Governance Committee must continue to evaluate the Board and committee structures and their processes and modify the foregoing as may be necessary or appropriate to continue to provide effective governance. Accordingly, the Nominating and Governance Committee has a separate meeting each year to, among other things, review the Board and committee structures, their performance and functions and recommend any modifications thereto or alternative structures or processes that would enhance the Board's governance over the Funds' business.

In addition, the Nominating and Governance Committee, among other things: makes recommendations concerning the continuing education of Board Members; monitors performance of legal counsel and other service providers; establishes and monitors a process by which security holders are able to communicate in writing with Board Members; and periodically reviews and makes recommendations about any appropriate changes to Board Member compensation. In the event of a

vacancy on the Board, the Nominating and Governance Committee receives suggestions from various sources, including shareholders, as to suitable candidates. Suggestions should be sent in writing to William Siffermann, Manager of Fund Board Relations, Nuveen, LLC, 333 West Wacker Drive, Chicago, Illinois 60606. The Nominating and Governance Committee sets appropriate standards and requirements for nominations for new Board Members and each nominee is evaluated using the same standards. However, the Nominating and Governance Committee reserves the right to interview any and all candidates and to make the final selection of any new Board Members. In considering a candidate's qualifications, each candidate must meet certain basic requirements, including relevant skills and experience, time availability (including the time requirements for due diligence site visits to internal and external sub-advisers and service providers) and, if qualifying as an Independent Board Member candidate, independence from the Adviser, sub-advisers, underwriters or other service providers, including any affiliates of these entities. These skill and experience requirements may vary depending on the current composition of the Board, since the goal is to ensure an appropriate range of skills, diversity and experience, in the aggregate. Accordingly, the particular factors considered and weight given to these factors will depend on the composition of the Board and the skills and backgrounds of the incumbent Board Members at the time of consideration of the nominees. All candidates, however, must meet high expectations of personal integrity, independence, governance experience and professional competence. All candidates must be willing to be critical within the Board and with management and yet maintain a collegial and collaborative manner toward other Board Members. The Nominating and Governance Committee operates under a written charter adopted and approved by the Board, a copy of which is available on the Funds' website at www.nuveen.com/closed-end-funds/resources/fund-governance, and is composed entirely of Independent Board Members, who are also independent as defined by NYSE listing standards. Accordingly, as of January 1, 2018, the members of the Nominating and Governance Committee are William J. Schneider, Chair, Jack B. Evans, William C. Hunter, Albin F. Moschner, John K. Nelson, Judith M. Stockdale, Carole E. Stone, Terence J. Toth, Margaret L. Wolff and Robert L. Young. During the fiscal year ended March 31, 2018, the Nominating and Governance Committee met 5 times.

Closed-End Funds Committee. The Closed-End Funds Committee is responsible for assisting the Board in the oversight and monitoring of the Nuveen funds that are registered as closed-end management investment companies ("Closed-End Funds"). The committee may review and evaluate matters related to the formation and the initial presentation to the Board of any new Closed-End Fund and may review and evaluate any matters relating to any existing Closed-End Fund. The committee operates under a written charter adopted and approved by the Board, a copy of which is available on the Funds' website at www.nuveen.com/closed-end-funds/resources/fund-governance. As of January 1, 2018, the members of the Closed-End Funds Committee are Carole E. Stone, Chair, Margo L. Cook, Jack B. Evans, Albin F. Moschner, William J. Schneider, Terence J. Toth and Robert L. Young. During the fiscal year ended March 31, 2018, the Closed-End Funds Committee met 4 times.

Board Member Attendance. During the last fiscal year, each Fund's Board held 13 meetings and each Board Member attended 75% or more of their Fund's Board meetings and the committee meetings (if a member thereof) held during the period for which such Board Member was a Board Member. The policy of the Board relating to attendance by Board Members at annual meetings of the Funds and the number of Board Members who attended the last annual meeting of shareholders of each Fund is posted on the Funds' website at www.nuveen.com/closed-end-funds/resources/fund-governance.

Board Diversification and Board Member Qualifications. In determining that a particular Board Member was qualified to serve on the Board, the Board considered each Board Member's background,

skills, experience and other attributes in light of the composition of the Board with no particular factor controlling. The Board believes that Board Members need to have the ability to critically review, evaluate, question and discuss information provided to them, and to interact effectively with Fund management, service providers and counsel, in order to exercise effective business judgment in the performance of their duties, and the Board believes each Board Member satisfies this standard. An effective Board Member may achieve this ability through his or her educational background; business, professional training or practice; public service or academic positions; experience from service as a board member or executive of investment funds, public companies or significant private or not-for-profit entities or other organizations; and/or other life experiences. Accordingly, set forth below is a summary of the experiences, qualifications, attributes, and skills that led to the conclusion, as of the date of this document, that each Board Member should serve in that capacity. References to the experiences, qualifications, attributes and skills of Board Members are pursuant to requirements of the SEC, do not constitute holding out the Board or any Board Member as having any special expertise or experience and shall not impose any greater responsibility or liability on any such person or on the Board by reason thereof.

Margo L. Cook

Ms. Cook, appointed to serve as an interested Board Member of the Fund, has been Co-Chief Executive Officer and Co-President of Nuveen Investments since March 2016, prior to which she had been Senior Executive Vice President of Nuveen Investments since July 2015. Ms. Cook is a member of the Senior Leadership Team and Executive Vice President (since 2017) of Nuveen, LLC, as well as co-chair of Nuveen Investments Management and Operating Committees. She is Co-President (since October 2016), formerly, Senior Executive Vice President (2015-2016) of Nuveen Fund Advisors, LLC and Co-President, Global Products and Solutions, of Nuveen Securities, LLC. Since joining in 2008, she has held various leadership roles at Nuveen Investments, including as Head of Investment Services, responsible for investment-related efforts across the firm. Ms. Cook also serves on the Board of Nuveen Global Fund Investors. Before joining Nuveen Investments, she was the Global Head of Bear Stearns Asset Management's institutional business. Prior to that, she spent over 20 years within BNY Mellon's asset management business, including as Chief Investment Officer for Institutional Asset Management and Head of Institutional Fixed Income. Ms. Cook earned her Bachelor of Science degree in finance from the University of Rhode Island, her Executive MBA from Columbia University, and is a Chartered Financial Analyst. She serves as Vice Chair of the University of Rhode Island Foundation Board of Trustees, and Chair of the All Stars Project of Chicago Board. Ms. Cook joined the Board in 2016.

Jack B. Evans

President of the Hall-Perrine Foundation, a private philanthropic corporation, since 1996, Mr. Evans was formerly President and Chief Operating Officer of the SCI Financial Group, Inc., a regional financial services firm headquartered in Cedar Rapids, Iowa. Formerly, he was a member of the Board of the Federal Reserve Bank of Chicago, a Director of Alliant Energy and a Member and President Pro Tem of the Board of Regents for the State of Iowa University System. Mr. Evans is Chairman of the Board of United Fire Group, sits on the Board of The Gazette Company and is a Life Trustee of Coe College. He has a Bachelor of Arts degree from Coe College and an MBA from the University of Iowa. Mr. Evans joined the Board in 1999.

William C. Hunter

Mr. Hunter became Dean Emeritus of the Henry B. Tippie College of Business at the University of Iowa on June 30, 2012. He was appointed Dean of the College on July 1, 2006. He was previously Dean and Distinguished Professor of Finance at the University of Connecticut School of Business from 2003 to 2006. From 1995 to 2003, he was the Senior Vice President and Director of Research at the Federal Reserve Bank of Chicago. While there he served as the Bank's Chief Economist and was an Associate Economist on the Federal Reserve System's Federal Open Market Committee (FOMC). In addition to serving as a Vice President in charge of financial markets and basic research at the Federal Reserve Bank in Atlanta, he held faculty positions at Emory University, Atlanta University, the University of Georgia and Northwestern University. A past Director of the Credit Research Center at Georgetown University, SS&C Technologies, Inc. (2005) and past President of the Financial Management Association International, he has consulted with numerous foreign central banks and official agencies in Western, Central and Eastern Europe, Asia, Central America and South America. From 1990 to 1995, he was a U.S. Treasury Advisor to Central and Eastern Europe. He has been a Director of the Xerox Corporation since 2004 and Wellmark, Inc. since 2009. He is a past Director and past President of Beta Gamma Sigma, Inc., The International Business Honor Society. Mr. Hunter joined the Board in 2004.

Albin F. Moschner

Mr. Moschner is a consultant in the wireless industry and, in July 2012, founded Northcroft Partners, LLC, a management consulting firm that provides operational, management and governance solutions. Prior to founding Northcroft Partners, LLC, Mr. Moschner held various positions at Leap Wireless International, Inc., a provider of wireless services, where he was a consultant from February 2011 to July 2012, Chief Operating Officer from July 2008 to February 2011, and Chief Marketing Officer from August 2004 to June 2008. Before he joined Leap Wireless International, Inc., Mr. Moschner was President of the Verizon Card Services division of Verizon Communications, Inc. from 2000 to 2003, and President of One Point Services at One Point Communications from 1999 to 2000. Mr. Moschner also served at Zenith Electronics Corporation as Director, President and Chief Executive Officer from 1995 to 1996, and as Director, President and Chief Operating Officer from 1994 to 1995. Since 2012, Mr. Moschner has been a member of the Board of Directors of USA Technologies, Inc. and, from 1996 until 2016, he was a member of the Board of Directors of Wintrust Financial Corporation. In addition, he currently serves on the Advisory Boards of the Kellogg School of Management (since 1995) and the Archdiocese of Chicago Financial Council (since May 2012). Mr. Moschner received a Bachelor of Engineering degree in Electrical Engineering from The City College of New York in 1974 and a Master of Science degree in Electrical Engineering from Syracuse University in 1979. Mr. Moschner joined the Board in 2016.

John K. Nelson

Mr. Nelson currently serves on the Board of Directors of Core12 LLC (since 2008), a private firm which develops branding, marketing, and communications strategies for clients. He was formerly a senior external advisor to the financial services practice of Deloitte Consulting LLP. Mr. Nelson has served in several senior executive positions with ABN AMRO Holdings N.V. and its affiliated entities and predecessors, including LaSalle Bank Corporation from 1996 to 2008. From 2007 to 2008, Mr. Nelson was Chief Executive Officer of ABN AMRO N.V. North America, and Global Head of its Financial Markets Division. He was a member of the Foreign Exchange Committee of the Federal

Reserve Bank of the United States, and during his tenure with ABN AMRO, served as the bank's representative on various committees of the Bank of Canada, European Central Bank, and the Bank of England. At Fordham University, he currently serves as a director of The Curran Center for Catholic American Studies, and The President's Council. He is also a member of The Economic Club of Chicago and was formerly a member of The Hyde Park Angels and a Trustee at St. Edmund Preparatory School in New York City. He is former chair of the Board of Trustees of Marian University. Mr. Nelson received his MBA from Fordham University. Mr. Nelson joined the Board in 2013.

William J. Schneider

Mr. Schneider, the Board's Independent Chairman, is currently Chairman, formerly Senior Partner and Chief Operating Officer (retired, 2004) of Miller-Valentine Partners, a real estate investment company. He is an owner in several other Miller-Valentine entities. He is currently a member of the Board of WDPR Public Radio Station. He was formerly a Director and Past Chair of the Dayton Development Coalition. He was formerly a member of the Community Advisory Board of the National City Bank in Dayton as well as a former member of the Business Advisory Council of the Cleveland Federal Reserve Bank. Mr. Schneider was also a member of the Business Advisory Council for the University of Dayton College of Business. He also served as Chair of the Miami Valley Hospital and as Chair of the Finance Committee of its parent holding company. Mr. Schneider was an independent trustee of the Flagship Funds, a group of municipal open-end funds. Mr. Schneider has a Bachelor of Science in Community Planning from the University of Cincinnati and a Masters of Public Administration from the University of Dayton. Mr. Schneider joined the Board in 1996.

Judith M. Stockdale

Ms. Stockdale retired at the end of 2012 as Executive Director of the Gaylord and Dorothy Donnelley Foundation, a private foundation working in land conservation and artistic vitality in the Chicago region and the Low Country of South Carolina. She is currently a board member of the U.S. Endowment for Forestry and Communities (since 2013) and rejoined the board of the Land Trust Alliance in June 2013. Her previous positions include Executive Director of the Great Lakes Protection Fund, Executive Director of Openlands, and Senior Staff Associate at the Chicago Community Trust. She has served on the Advisory Council of the National Zoological Park, the Governor's Science Advisory Council (Illinois) and the Nancy Ryerson Ranney Leadership Grants Program. She has served on the Boards of Brushwood Center and the Donors Forum. Ms. Stockdale, a native of the United Kingdom, has a Bachelor of Science degree in geography from the University of Durham (UK) and a Master of Forest Science degree from Yale University. Ms. Stockdale joined the Board in 1997.

Carole E. Stone

Ms. Stone is currently on the Board of Directors of the CBOE Global Markets, Inc. (formerly, CBOE Holdings, Inc.) having previously served on the Boards of the Chicago Board Options Exchange and C2 Options Exchange, Incorporated. Ms. Stone retired from the New York State Division of the Budget in 2004, having served as its Director for nearly five years and as Deputy Director from 1995 through 1999. She has also served as the Chair of the New York Racing Association Oversight Board, as Chair of the Public Authorities Control Board, as a Commissioner on the New York State Commission on Public Authority Reform and as a member of the boards of directors of several New York State public authorities. Ms. Stone has a Bachelor of Arts in Business Administration from Skidmore College. Ms. Stone joined the Board in 2006.

Terence J. Toth

Mr. Toth was a Co-Founding Partner of Promus Capital (2008-2017). From 2008 to 2013, he served as a Director of Legal & General Investment Management America, Inc. From 2004 to 2007, he was Chief Executive Officer and President of Northern Trust Global Investments, and Executive Vice President of Quantitative Management & Securities Lending from 2000 to 2004. He also formerly served on the Board of the Northern Trust Mutual Funds. He joined Northern Trust in 1994 after serving as Managing Director and Head of Global Securities Lending at Bankers Trust (1986 to 1994) and Head of Government Trading and Cash Collateral Investment at Northern Trust from 1982 to 1986. He currently serves on the Boards of Chicago Fellowship, Fulcrum IT Service LLC (since 2010), Quality Control Corporation (since 2012) and Catalyst Schools of Chicago. He is on the Mather Foundation Board (since 2012) and is Chair of its Investment Committee. Mr. Toth graduated with a Bachelor of Science degree from the University of Illinois, and received his MBA from New York University. In 2005, he graduated from the CEO Perspectives Program at Northwestern University. Mr. Toth joined the Board in 2008.

Margaret L. Wolff

Ms. Wolff retired from Skadden, Arps, Slate, Meagher & Flom LLP in 2014 after more than 30 years of providing client service in the Mergers & Acquisitions Group. During her legal career, Ms. Wolff devoted significant time to advising boards and senior management on U.S. and international corporate, securities, regulatory and strategic matters, including governance, shareholder, fiduciary, operational and management issues. From 2013 to 2017, she was a Board member of Travelers Insurance Company of Canada and The Dominion of Canada General Insurance Company (each of which is a part of Travelers Canada, the Canadian operation of The Travelers Companies, Inc.). Ms. Wolff has been a trustee of New York-Presbyterian Hospital since 2005 and, since 2004, she has served as a trustee of The John A. Hartford Foundation (a philanthropy dedicated to improving the care of older adults) where she currently is the Chair. From 2005 to 2015, she was a trustee of Mt. Holyoke College and served as Vice Chair of the Board from 2011 to 2015. Ms. Wolff received her Bachelor of Arts from Mt. Holyoke College and her Juris Doctor from Case Western Reserve University School of Law. Ms. Wolff joined the Board in 2016.

Robert L. Young

Mr. Young has more than 30 years of experience in the investment management industry. From 1997 to 2017, he held various positions with J.P. Morgan Investment Management Inc. (J.P. Morgan Investment) and its affiliates (collectively, J.P. Morgan). Most recently, he served as Chief Operating Officer and Director of J.P. Morgan Investment (from 2010 to 2016) and as President and Principal Executive Officer of the J.P. Morgan Funds (from 2013 to 2016). As Chief Operating Officer of J.P. Morgan Investment, Mr. Young led service, administration and business platform support activities for J.P. Morgan s domestic retail mutual fund and institutional commingled and separate account businesses, and co-led these activities for J.P. Morgan s global retail and institutional investment management businesses. As President of the J.P. Morgan Funds, Mr. Young interacted with various service providers to these funds, facilitated the relationship between such funds and their boards, and was directly involved in establishing board agendas, addressing regulatory matters, and establishing policies and procedures. Before joining J.P. Morgan, Mr. Young, a former Certified Public Accountant (CPA), was a Senior Manager (Audit) with Deloitte & Touche LLP (formerly, Touche Ross LLP), where he was employed from 1985 to 1996. During his tenure there, he actively participated in

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creating, and ultimately led, the firm's midwestern mutual fund practice. Mr. Young holds a Bachelor of Business Administration degree in Accounting from the University of Dayton and, from 2008 to 2011, he served on the Investment Committee of its Board of Trustees. Mr. Young joined the Board in 2017.

Board Member Terms. Pursuant to the organizational documents of each Fund, the Board is divided into three classes, Class I, Class II and Class III, to be elected by the holders of the outstanding common shares and any outstanding preferred shares, voting together as a single class, to serve until the third succeeding annual meeting subsequent to their election or thereafter in each case when their respective successors are duly elected and qualified. These provisions could delay for up to two years the replacement of a majority of the Board. See Additional Information About the Funds Certain Provisions in the Funds Declarations of Trust and By-Laws.

Fund Officers

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

Name, Address and Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years ⁽²⁾	Number of Portfolios in Fund Complex Served by Officer
Cedric H. Antosiewicz 333 West Wacker Drive Chicago, Illinois 60606 1962	Chief Administrative Officer	Term: Annual Length of Service: Since 2007	Senior Managing Director (since 2017), formerly, Managing Director (2004-2017) of Nuveen Securities LLC; Senior Managing Director (since 2017), formerly, Managing Director (2014-2017) of Nuveen Fund Advisors, LLC.	75
Stephen D. Foy 333 West Wacker Drive Chicago, Illinois 60606 1954	Vice President and Controller	Term: Annual Length of Service: Since 1993	Managing Director (since 2014), formerly, Senior Vice President (2013-2014) and Vice President (2005-2013) of Nuveen Fund Advisors, LLC; Managing Director (since 2016) of Nuveen Alternative Investments, LLC; Managing Director (since 2016) of Nuveen Securities, LLC; Certified Public Accountant.	175
Nathaniel T. Jones 333 West Wacker Drive Chicago, Illinois 60606 1979	Vice President and Treasurer	Term: Annual Length of Service: Since 2016	Managing Director (since 2017), formerly, Senior Vice President (2016-2017), formerly, Vice President (2011-2016) of Nuveen; Chartered Financial Analyst.	175
Walter M. Kelly 333 West Wacker Drive Chicago, Illinois 60606 1970	Chief Compliance Officer and Vice President	Term: Annual Length of Service: Since 2003	Managing Director (since 2017), formerly, Senior Vice President (2008-2017) of Nuveen.	175

Name, Address and Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years ⁽²⁾	Number of Portfolios in Fund Complex Served by Officer
David J. Lamb 333 West Wacker Drive Chicago, Illinois 60606 1963	Vice President	Term: Annual Length of Service: since 2015	Managing Director (since 2017), formerly, Senior Vice President of Nuveen (2006-2017), Vice President prior to 2006.	75
Tina M. Lazar 333 West Wacker Drive Chicago, Illinois 60606 1961	Vice President	Term: Annual Length of Service: Since 2002	Managing Director (since 2017), formerly, Senior Vice President (2014-2017) of Nuveen Securities, LLC.	175
Kevin J. McCarthy 333 West Wacker Drive Chicago, Illinois 60606 1966	Vice President and Assistant Secretary	Term: Annual Length of Service: Since 2007	Senior Managing Director (since 2017) and Secretary and General Counsel (since 2016) of Nuveen Investments, Inc., formerly, Executive Vice President (2016-2017) and Managing Director and Assistant Secretary (2008-2016); Senior Managing Director (since 2017) and Assistant Secretary (since 2008) of Nuveen Securities, LLC, formerly Executive Vice President (2016-2017) and Managing Director (2008-2016); Senior Managing Director (since 2017), Secretary (since 2016) and Co-General Counsel (since 2011) of Nuveen Fund Advisors, LLC, formerly, Executive Vice President (2016-2017), Managing Director (2008-2016) and Assistant Secretary (2007-2016); Senior Managing Director (since 2017), Secretary (since 2016) and Associate General Counsel (since 2011) of Nuveen Asset Management, LLC, formerly Executive Vice President (2016-2017) and Managing Director and Assistant Secretary (2011- 2016); Senior Managing Director (since 2017) and Secretary (since 2016) of Nuveen Investments Advisers, LLC, formerly Executive Vice President (2016-2017); Vice President (since 2007) and Secretary (since 2016), formerly, Assistant Secretary, of NWQ Investment Management Company, LLC, Symphony Asset Management LLC, Santa Barbara Asset Management, LLC and Winslow Capital Management, LLC (since 2010); Senior Managing Director (since 2017) and Secretary (since 2016) of Nuveen Alternative Investments, LLC.	175

Name, Address and Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years ⁽²⁾	Number of Portfolios in Fund Complex Served by Officer
William T. Meyers 333 West Wacker Drive Chicago, Illinois 60606 1966	Vice President	Term: Annual Length of Service: Since 2018	Senior Managing Director (since 2017), formerly, Managing Director (2016-2017), Senior Vice President (2010-2016) of Nuveen Securities, LLC; Senior Managing Director (since 2017), formerly, Managing Director (2016-2017), Senior Vice President (2010-2016) of Nuveen, has held various positions with Nuveen since 1991.	75
Michael A. Perry 333 West Wacker Drive Chicago, Illinois 60606 1967	Vice President	Term: Annual Length of Service: Since 2017	Executive Vice President (since 2017) of Nuveen Fund Advisors, LLC, previously, Managing Director (2016-2017); Executive Vice President (since 2017) of Nuveen Securities, LLC and Nuveen Alternative Investments, LLC, formerly, Managing Director; formerly, Managing Director (2010-2015) of UBS Securities, LLC.	75
Christopher M. Rohrbacher 333 West Wacker Drive Chicago, Illinois 60606 1971	Vice President and Assistant Secretary	Term: Annual Length of Service: Since 2008	Managing Director (since 2017), formerly, Senior Vice President (2016-2017) and Assistant Secretary (since October 2016) of Nuveen Fund Advisors, LLC; Managing Director (since 2017) of Nuveen Securities LLC; Vice President and Assistant Secretary (since 2010) of Nuveen Commodities Asset Management, LLC.	175
William A. Siffermann 333 West Wacker Drive Chicago, Illinois 60606 1975	Vice President	Term: Annual Length of Service: Since 2017	Managing Director (since 2017), formerly, Senior Vice President (2016-2017) and Vice President (2011-2016) of Nuveen.	175
Joel T. Slager 333 West Wacker Drive Chicago, Illinois 60606 1978	Vice President and Assistant Secretary	Term: Annual Length of Service: Since 2013	Fund Tax Director for Nuveen Funds (since 2013); previously, Vice President of Morgan Stanley Investment Management, Inc., Assistant Treasurer of the Morgan Stanley Funds (from 2010 to 2013).	175
Mark L. Winget 333 West Wacker Drive Chicago, Illinois 60606 1968	Vice President and Assistant Secretary	Term: Annual Length of Service: Since 2008	Vice President and Assistant Secretary of Nuveen Securities, LLC (since 2008); Vice President (since 2010) and Associate General Counsel (since 2008) of Nuveen.	175

Name, Address and Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served ⁽¹⁾	Principal Occupation(s) During Past 5 Years ⁽²⁾	Number of Portfolios in Fund Complex Served by Officer
Gifford R. Zimmerman 333 West Wacker Drive Chicago, Illinois 60606 1956	Vice President and Secretary	Term: Annual Length of Service: Since 1988	Managing Director (since 2002) and Assistant Secretary of Nuveen Securities, LLC; Managing Director (since 2002), Assistant Secretary (since 1997) and Co-General Counsel (since 2011) of Nuveen Fund Advisors, LLC; Managing Director (since 2004) and Assistant Secretary (since 1994) of Nuveen Investments, Inc.; Managing Director, Assistant Secretary and Associate General Counsel of Nuveen Asset Management, LLC (since 2011); Vice President (since 2017), formerly, Managing Director (2003-2017) and Assistant Secretary (since 2003) of Symphony Asset Management LLC; Managing Director and Assistant Secretary (since 2002) of Nuveen Investments Advisers, LLC; Vice President and Assistant Secretary of NWQ Investment Management Company, LLC, Santa Barbara Asset Management, LLC (since 2006) and of Winslow Capital Management, LLC (since 2010); Chartered Financial Analyst.	175

(1) Length of Time Served indicates the year the individual became an officer of a fund in the Nuveen fund complex.

(2) Information as of March 1, 2018.

ADDITIONAL INFORMATION ABOUT THE FUNDS

Certain Provisions in the Funds' Declarations of Trust and By-Laws

Under Massachusetts law, shareholders could, under certain circumstances, be held personally liable for the obligations of a Fund. However, each Fund's declaration of trust contains an express disclaimer of shareholder liability for debts or obligations of the Fund and requires that notice of such limited liability be given in each obligation, contract or instrument made or issued by the Fund or its trustees. Each Fund's declaration of trust further provides for indemnification out of the assets and property of the Fund for all loss and expense of any shareholder held personally liable for the obligations of the Fund. Thus, the risk of a shareholder incurring financial loss on account of shareholder liability is limited to circumstances in which a Fund would be unable to meet its obligations. Each Fund believes that the likelihood of such circumstances is remote.

Each Fund's declaration of trust includes provisions that could limit the ability of other entities or persons to acquire