

NUVEEN ARIZONA DIVIDEND ADVANTAGE MUNICIPAL FUND 3  
Form DEF 14A  
June 20, 2005

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of (Amendment No. )

Filed by the Registrant    
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement.
- CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14a-6(e)(2)).
- Definitive Proxy Statement.
- Definitive Additional Materials.
- Soliciting Material Pursuant to Section 240.14A-11(c) or Section 240.14a-12

NUVEEN ARIZONA DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NXE)

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

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2) Aggregate number of securities to which transaction applies:

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3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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4) Proposed maximum aggregate value of transaction:

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5) Total fee paid:

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- Fee paid previously with preliminary materials.

[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

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3) Filing Party:

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4) Date Filed:

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IMPORTANT NOTICE  
TO FUND SHAREHOLDERS  
JUNE 21, 2005

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

Q. WHY AM I RECEIVING THIS PROXY STATEMENT?

A. Pursuant to an investment management agreement between your Fund and Nuveen Asset Management ("NAM"), NAM has served as your Fund's investment adviser and has been responsible for the overall investment strategy of your Fund. NAM is a wholly-owned subsidiary of Nuveen Investments, Inc. ("Nuveen"). Nuveen is a publicly traded company and, until recently, was a majority-owned subsidiary of The St. Paul Travelers Companies, Inc. ("St. Paul Travelers").

As part of St. Paul Travelers' previously announced three-part program to sell its entire equity interest in Nuveen (the "Sale"), St. Paul Travelers sold 39.3 million shares of Nuveen through a secondary public offering on April 12, 2005. Nuveen also repurchased \$600 million of its shares from St. Paul Travelers. The repurchase of these shares is being completed through two steps--a \$200 million repurchase that closed on April 12, 2005, and a \$400 million forward purchase (plus interest) that will settle later this year. Finally, St. Paul Travelers also entered into an agreement with two other parties to sell approximately 12 million common shares of Nuveen for settlement later this year. After completion of the Sale, Nuveen will emerge as a fully independent public company.

Upon completion of the Sale, the investment management agreement between your Fund and NAM may be terminated. In order for NAM to continue to serve as investment adviser after the completion of the Sale, the shareholders of your Fund must approve a new investment management agreement. The enclosed Proxy Statement gives you additional information on the proposed new investment management agreement, as well as certain other matters. The Board of Directors/Trustees of each Fund (the "Board," and each Director or Trustee, a "Board Member"), including those Board Members who are not affiliated with NAM, unanimously recommend that you vote FOR the approval of

the new investment management agreement for your Fund.

Please refer to the Proxy Statement for a detailed explanation of the items you are being asked to vote on.

Q. WHY IS A VOTE ON THE PROPOSED NEW INVESTMENT MANAGEMENT AGREEMENT REQUIRED?

A. The completion of the Sale could be deemed to be an "assignment," as that term is defined in the Investment Company Act of 1940 ("1940 Act"), of the investment management agreement between each Fund and NAM. As required by the 1940 Act, under its terms, each investment management agreement would automatically terminate in the event of its assignment. As a result, shareholder approval of a new investment management agreement will permit NAM to continue to serve your Fund.

Q. WHAT WILL HAPPEN IF SHAREHOLDERS DO NOT APPROVE THE NEW INVESTMENT MANAGEMENT AGREEMENT?

A. If the new investment management agreement is not approved, your Fund's Board will take such actions as it deems to be in the best interests of your Fund. This is discussed in more detail in the Proxy Statement.

Q. HOW WILL THE SALE AFFECT ME AS A FUND SHAREHOLDER?

A. Your investment in your Fund will not change as a result of the Sale. You will still own the same shares in the Fund, and the value of your investment will not change as a result of the Sale. The new investment management agreement, if approved by shareholders, will still be with NAM and the terms of the new investment management agreement are substantially identical to the terms of the original investment management agreement. In addition, the portfolio managers of your Fund will not change as a result of the new investment management agreement.

Q. WILL THE INVESTMENT MANAGEMENT FEE RATES BE THE SAME UPON THE APPROVAL OF THE NEW INVESTMENT MANAGEMENT AGREEMENT?

A. Yes, the investment management fee rates will remain the same.

Q. HOW DO THE BOARD MEMBERS SUGGEST THAT I VOTE IN CONNECTION WITH THE NEW INVESTMENT MANAGEMENT AGREEMENT?

A. After careful consideration, the Board of your Fund unanimously recommends that you vote "FOR" the approval of the new investment management agreement.

Q. WILL MY VOTE MAKE A DIFFERENCE?

A. Your vote is needed to ensure that the proposal can be acted upon. Additionally, your immediate response will help save on the costs of any future solicitations for these shareholder votes. We encourage all shareholders to participate in the governance of their Fund.

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 your financial advisor. Alternatively, you may call Nuveen at (800) 257-8787 weekdays from 8:00 a.m. to 6:00 p.m. Central time.

Q. HOW DO I VOTE MY SHARES?

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A. You can vote your shares by completing and signing the enclosed proxy card, and mailing it in the enclosed postage-paid envelope. Alternatively, you may vote by telephone by calling the toll-free number on the proxy card or by computer by going to the Internet address provided on the proxy card and following the instructions, using your proxy card as a guide.

Q. WILL ANYONE CONTACT ME?

A. You may receive a call to verify that you received your proxy materials, to answer any questions you may have about the proposal and to encourage you to vote.

NOTICE OF SPECIAL MEETING  
OF SHAREHOLDERS  
JULY 26, 2005

333 West Wacker Drive  
Chicago, Illinois 60606  
(800) 257-8787

JUNE 21, 2005

NUVEEN ARIZONA DIVIDEND ADVANTAGE MUNICIPAL FUND (NFZ)  
NUVEEN ARIZONA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NKR)  
NUVEEN ARIZONA DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NXE)  
NUVEEN ARIZONA PREMIUM INCOME MUNICIPAL FUND, INC. (NAZ)  
NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND (NAC)  
NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NVX)  
NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NZH)  
NUVEEN CALIFORNIA INVESTMENT QUALITY MUNICIPAL FUND, INC. (NQC)  
NUVEEN CALIFORNIA MUNICIPAL MARKET OPPORTUNITY FUND, INC. (NCO)  
NUVEEN CALIFORNIA MUNICIPAL VALUE FUND, INC. (NCA)  
NUVEEN CALIFORNIA PERFORMANCE PLUS MUNICIPAL FUND, INC. (NCP)  
NUVEEN CALIFORNIA PREMIUM INCOME MUNICIPAL FUND (NCU)  
NUVEEN CALIFORNIA QUALITY INCOME MUNICIPAL FUND, INC. (NUC)  
  
NUVEEN CALIFORNIA SELECT QUALITY MUNICIPAL FUND, INC. (NVC)  
  
NUVEEN INSURED CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND (NKL)  
NUVEEN INSURED CALIFORNIA PREMIUM INCOME MUNICIPAL FUND, INC. (NPC)  
NUVEEN INSURED CALIFORNIA PREMIUM INCOME MUNICIPAL FUND 2, INC. (NCL)  
NUVEEN INSURED CALIFORNIA TAX-FREE ADVANTAGE MUNICIPAL FUND (NKX)  
NUVEEN CONNECTICUT DIVIDEND ADVANTAGE MUNICIPAL FUND (NFC)  
NUVEEN CONNECTICUT DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NGK)  
NUVEEN CONNECTICUT DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NGO)  
NUVEEN CONNECTICUT PREMIUM INCOME MUNICIPAL FUND (NTC)  
NUVEEN FLORIDA INVESTMENT QUALITY MUNICIPAL FUND (NQF)  
NUVEEN FLORIDA QUALITY INCOME MUNICIPAL FUND (NUF)  
NUVEEN INSURED FLORIDA PREMIUM INCOME MUNICIPAL FUND (NFL)  
NUVEEN INSURED FLORIDA TAX-FREE ADVANTAGE MUNICIPAL FUND (NWF)  
NUVEEN GEORGIA DIVIDEND ADVANTAGE MUNICIPAL FUND (NZX)  
NUVEEN GEORGIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NKG)  
NUVEEN GEORGIA PREMIUM INCOME MUNICIPAL FUND (NPG)  
NUVEEN MASSACHUSETTS DIVIDEND ADVANTAGE MUNICIPAL FUND (NMB)  
NUVEEN MASSACHUSETTS PREMIUM INCOME MUNICIPAL FUND (NMT)  
NUVEEN INSURED MASSACHUSETTS TAX-FREE ADVANTAGE MUNICIPAL FUND (NGX)  
NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND (NFM)  
NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NZR)

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NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NWI)  
NUVEEN MARYLAND PREMIUM INCOME MUNICIPAL FUND (NMY)

NUVEEN MICHIGAN DIVIDEND ADVANTAGE MUNICIPAL FUND (NZW)  
NUVEEN MICHIGAN PREMIUM INCOME MUNICIPAL FUND, INC. (NMP)  
NUVEEN MICHIGAN QUALITY INCOME MUNICIPAL FUND, INC. (NUM)  
NUVEEN MISSOURI PREMIUM INCOME MUNICIPAL FUND (NOM)  
NUVEEN NEW JERSEY DIVIDEND ADVANTAGE MUNICIPAL FUND (NXJ)  
NUVEEN NEW JERSEY DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NUJ)  
NUVEEN NEW JERSEY INVESTMENT QUALITY MUNICIPAL FUND, INC. (NQJ)  
NUVEEN NEW JERSEY PREMIUM INCOME MUNICIPAL FUND, INC. (NNJ)  
NUVEEN NEW YORK DIVIDEND ADVANTAGE MUNICIPAL FUND (NAN)  
NUVEEN NEW YORK DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NXX)  
NUVEEN NEW YORK INVESTMENT QUALITY MUNICIPAL FUND, INC. (NQN)  
NUVEEN NEW YORK MUNICIPAL VALUE FUND, INC. (NNY)  
NUVEEN NEW YORK PERFORMANCE PLUS MUNICIPAL FUND, INC. (NNP)  
NUVEEN NEW YORK QUALITY INCOME MUNICIPAL FUND, INC. (NUN)  
NUVEEN NEW YORK SELECT QUALITY MUNICIPAL FUND, INC. (NVN)  
NUVEEN INSURED NEW YORK DIVIDEND ADVANTAGE MUNICIPAL FUND (NKO)  
NUVEEN INSURED NEW YORK PREMIUM INCOME MUNICIPAL FUND, INC. (NNF)  
NUVEEN INSURED NEW YORK TAX-FREE ADVANTAGE MUNICIPAL FUND (NRK)  
NUVEEN NORTH CAROLINA DIVIDEND ADVANTAGE MUNICIPAL FUND (NRB)  
NUVEEN NORTH CAROLINA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NNO)  
NUVEEN NORTH CAROLINA DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NII)  
NUVEEN NORTH CAROLINA PREMIUM INCOME MUNICIPAL FUND (NNC)  
NUVEEN OHIO DIVIDEND ADVANTAGE MUNICIPAL FUND (NXI)  
NUVEEN OHIO DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NBJ)  
NUVEEN OHIO DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NVJ)  
NUVEEN OHIO QUALITY INCOME MUNICIPAL FUND, INC. (NUO)  
NUVEEN PENNSYLVANIA DIVIDEND ADVANTAGE MUNICIPAL FUND (NXM)  
NUVEEN PENNSYLVANIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NVY)  
NUVEEN PENNSYLVANIA INVESTMENT QUALITY MUNICIPAL FUND, INC. (NQP)  
NUVEEN PENNSYLVANIA PREMIUM INCOME MUNICIPAL FUND 2 (NPY)  
NUVEEN TEXAS QUALITY INCOME MUNICIPAL FUND (NTX)  
NUVEEN VIRGINIA PREMIUM INCOME MUNICIPAL FUND (NPV)  
NUVEEN VIRGINIA DIVIDEND ADVANTAGE MUNICIPAL FUND (NGB)  
NUVEEN VIRGINIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NNB)

TO THE SHAREHOLDERS OF THE ABOVE FUNDS:

Notice is hereby given that a Special Meeting of Shareholders (the "Meeting") of Nuveen Arizona Dividend Advantage Municipal Fund, Nuveen Arizona Dividend Advantage Municipal Fund 2, Nuveen Arizona Dividend Advantage Municipal Fund 3, Nuveen California Dividend Advantage Municipal Fund, Nuveen California Dividend Advantage Municipal Fund 2, Nuveen California Dividend Advantage Municipal Fund 3, Nuveen California Premium Income Municipal Fund, Nuveen Insured California Dividend Advantage Municipal Fund, Nuveen Insured California Tax-Free Advantage Municipal Fund, Nuveen Connecticut Dividend Advantage Municipal Fund, Nuveen Connecticut Dividend Advantage Municipal Fund 2, Nuveen

Connecticut Dividend Advantage Municipal Fund 3, Nuveen Connecticut Premium Income Municipal Fund, Nuveen Florida Investment Quality Municipal Fund, Nuveen Florida Quality Income Municipal Fund, Nuveen Insured Florida Premium Income Municipal Fund, Nuveen Insured Florida Tax-Free Advantage Municipal Fund, Nuveen Georgia Dividend Advantage Municipal Fund, Nuveen Georgia Dividend Advantage Municipal Fund 2, Nuveen Georgia Premium Income Municipal Fund, Nuveen Massachusetts Dividend Advantage Municipal Fund, Nuveen Massachusetts Premium Income Municipal Fund, Nuveen Insured Massachusetts Tax-Free Advantage Municipal Fund, Nuveen Maryland Dividend Advantage Municipal Fund, Nuveen Maryland

Dividend Advantage Municipal Fund 2, Nuveen Maryland Dividend Advantage Municipal Fund 3, Nuveen Maryland Premium Income Municipal Fund, Nuveen Michigan Dividend Advantage Municipal Fund, Nuveen Missouri Premium Income Municipal Fund, Nuveen New Jersey Dividend Advantage Municipal Fund, Nuveen New Jersey Dividend Advantage Municipal Fund 2, Nuveen New York Dividend Advantage Municipal Fund, Nuveen New York Dividend Advantage Municipal Fund 2, Nuveen Insured New York Dividend Advantage Municipal Fund, Nuveen Insured New York Tax-Free Advantage Municipal Fund, Nuveen North Carolina Dividend Advantage Municipal Fund, Nuveen North Carolina Dividend Advantage Municipal Fund 2, Nuveen North Carolina Dividend Advantage Municipal Fund 3, Nuveen North Carolina Premium Income Municipal Fund, Nuveen Ohio Dividend Advantage Municipal Fund, Nuveen Ohio Dividend Advantage Municipal Fund 2, Nuveen Ohio Dividend Advantage Municipal Fund 3, Nuveen Pennsylvania Dividend Advantage Municipal Fund, Nuveen Pennsylvania Dividend Advantage Municipal Fund 2, Nuveen Pennsylvania Premium Income Municipal Fund 2, Nuveen Texas Quality Income Municipal Fund, Nuveen Virginia Premium Income Municipal Fund, Nuveen Virginia Dividend Advantage Municipal Fund, and Nuveen Virginia Dividend Advantage Municipal Fund 2, each a Massachusetts business trust, and Nuveen Arizona Premium Income Municipal Fund, Inc., Nuveen California Investment Quality Municipal Fund, Inc., Nuveen California Municipal Market Opportunity Fund, Inc., Nuveen California Municipal Value Fund, Inc., Nuveen California Performance Plus Municipal Fund, Inc., Nuveen California Quality Income Municipal Fund, Inc., Nuveen California Select Quality Municipal Fund, Inc., Nuveen Insured California Premium Income Municipal Fund, Inc., Nuveen Insured California Premium Income Municipal Fund 2, Inc., Nuveen Michigan Premium Income Municipal Fund, Inc., Nuveen Michigan Quality Income Municipal Fund, Inc., Nuveen New Jersey Investment Quality Municipal Fund, Inc., Nuveen New Jersey Premium Income Fund, Inc., Nuveen New York Investment Quality Municipal Fund, Inc., Nuveen New York Municipal Value Fund, Inc., Nuveen New York Performance Plus Municipal Fund, Inc., Nuveen New York Quality Income Municipal Fund, Inc., Nuveen New York Select Quality Municipal Fund, Inc., Nuveen Insured New York Premium Income Municipal Fund, Inc., Nuveen Ohio Quality Income Municipal Fund, Inc., Nuveen Pennsylvania Investment Quality Municipal Fund, Inc., each a Minnesota corporation, (individually, a "Fund" and collectively, the "Funds") will be held (along with the meeting of shareholders of several other Nuveen funds) in the Assembly Room of The Northern Trust Company, 50 South LaSalle Street, Chicago, Illinois 60675, on Tuesday, July 26, 2005, at 10:30 a.m., Chicago time, for the following purposes and to transact such other business, if any, as may properly come before the Meeting:

MATTERS TO BE VOTED ON BY SHAREHOLDERS:

1. To approve a new investment management agreement between each Fund and Nuveen Asset Management ("NAM"), each Fund's investment adviser.
2. To transact such other business as may properly come before the Meeting.

Shareholders of record at the close of business on May 31, 2005 are entitled to notice of and to vote at the Meeting.

ALL SHAREHOLDERS ARE CORDIALLY INVITED TO ATTEND THE MEETING. IN ORDER TO AVOID DELAY AND ADDITIONAL EXPENSE, AND TO ASSURE THAT YOUR SHARES ARE REPRESENTED, PLEASE VOTE AS PROMPTLY AS POSSIBLE, REGARDLESS OF WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING. YOU MAY VOTE BY MAIL, 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.

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Jessica R. Droeger  
Vice President and Secretary

JOINT PROXY STATEMENT

333 West Wacker Drive  
Chicago, Illinois 60606  
(800) 257-8787

JUNE 21, 2005

NUVEEN ARIZONA DIVIDEND ADVANTAGE MUNICIPAL FUND (NFZ)  
NUVEEN ARIZONA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NKR)  
NUVEEN ARIZONA DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NXE)  
NUVEEN ARIZONA PREMIUM INCOME MUNICIPAL FUND, INC. (NAZ)  
NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND (NAC)  
NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NVX)  
NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NZH)  
NUVEEN CALIFORNIA INVESTMENT QUALITY MUNICIPAL FUND, INC. (NQC)  
NUVEEN CALIFORNIA MUNICIPAL MARKET OPPORTUNITY FUND, INC. (NCO)  
NUVEEN CALIFORNIA MUNICIPAL VALUE FUND, INC. (NCA)  
NUVEEN CALIFORNIA PERFORMANCE PLUS MUNICIPAL FUND, INC. (NCP)  
NUVEEN CALIFORNIA PREMIUM INCOME MUNICIPAL FUND (NCU)  
NUVEEN CALIFORNIA QUALITY INCOME MUNICIPAL FUND, INC. (NUC)  
  
NUVEEN CALIFORNIA SELECT QUALITY MUNICIPAL FUND, INC. (NVC)  
  
NUVEEN INSURED CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND (NKL)  
NUVEEN INSURED CALIFORNIA PREMIUM INCOME MUNICIPAL FUND, INC. (NPC)  
NUVEEN INSURED CALIFORNIA PREMIUM INCOME MUNICIPAL FUND 2, INC. (NCL)  
NUVEEN INSURED CALIFORNIA TAX-FREE ADVANTAGE MUNICIPAL FUND (NKX)  
NUVEEN CONNECTICUT DIVIDEND ADVANTAGE MUNICIPAL FUND (NFC)  
NUVEEN CONNECTICUT DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NGK)  
NUVEEN CONNECTICUT DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NGO)  
NUVEEN CONNECTICUT PREMIUM INCOME MUNICIPAL FUND (NTC)  
NUVEEN FLORIDA INVESTMENT QUALITY MUNICIPAL FUND (NQF)  
NUVEEN FLORIDA QUALITY INCOME MUNICIPAL FUND (NUF)  
NUVEEN INSURED FLORIDA PREMIUM INCOME MUNICIPAL FUND (NFL)  
NUVEEN INSURED FLORIDA TAX-FREE ADVANTAGE MUNICIPAL FUND (NWF)  
NUVEEN GEORGIA DIVIDEND ADVANTAGE MUNICIPAL FUND (NZX)  
NUVEEN GEORGIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NKG)  
NUVEEN GEORGIA PREMIUM INCOME MUNICIPAL FUND (NPG)  
NUVEEN MASSACHUSETTS DIVIDEND ADVANTAGE MUNICIPAL FUND (NMB)  
NUVEEN MASSACHUSETTS PREMIUM INCOME MUNICIPAL FUND (NMT)  
NUVEEN INSURED MASSACHUSETTS TAX-FREE ADVANTAGE MUNICIPAL FUND (NGX)  
NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND (NFM)  
NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NZR)  
NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NWI)  
NUVEEN MARYLAND PREMIUM INCOME MUNICIPAL FUND (NMY)  
NUVEEN MICHIGAN DIVIDEND ADVANTAGE MUNICIPAL FUND (NZW)  
NUVEEN MICHIGAN PREMIUM INCOME MUNICIPAL FUND, INC. (NMP)  
  
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NUVEEN MICHIGAN QUALITY INCOME MUNICIPAL FUND, INC. (NUM)  
NUVEEN MISSOURI PREMIUM INCOME MUNICIPAL FUND (NOM)  
NUVEEN NEW JERSEY DIVIDEND ADVANTAGE MUNICIPAL FUND (NXJ)

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NUVEEN NEW JERSEY DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NUJ)  
NUVEEN NEW JERSEY INVESTMENT QUALITY MUNICIPAL FUND, INC. (NQJ)  
NUVEEN NEW JERSEY PREMIUM INCOME MUNICIPAL FUND, INC. (NNJ)  
NUVEEN NEW YORK DIVIDEND ADVANTAGE MUNICIPAL FUND (NAN)  
NUVEEN NEW YORK DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NXX)  
NUVEEN NEW YORK INVESTMENT QUALITY MUNICIPAL FUND, INC. (NQN)  
NUVEEN NEW YORK MUNICIPAL VALUE FUND, INC. (NNY)  
NUVEEN NEW YORK PERFORMANCE PLUS MUNICIPAL FUND, INC. (NNP)  
NUVEEN NEW YORK QUALITY INCOME MUNICIPAL FUND, INC. (NUN)  
NUVEEN NEW YORK SELECT QUALITY MUNICIPAL FUND, INC. (NVN)  
NUVEEN INSURED NEW YORK DIVIDEND ADVANTAGE MUNICIPAL FUND (NKO)  
NUVEEN INSURED NEW YORK PREMIUM INCOME MUNICIPAL FUND, INC. (NNF)  
NUVEEN INSURED NEW YORK TAX-FREE ADVANTAGE MUNICIPAL FUND (NRK)  
NUVEEN NORTH CAROLINA DIVIDEND ADVANTAGE MUNICIPAL FUND (NRB)  
NUVEEN NORTH CAROLINA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NNO)  
NUVEEN NORTH CAROLINA DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NII)  
NUVEEN NORTH CAROLINA PREMIUM INCOME MUNICIPAL FUND (NNC)  
NUVEEN OHIO DIVIDEND ADVANTAGE MUNICIPAL FUND (NXI)  
NUVEEN OHIO DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NBJ)  
NUVEEN OHIO DIVIDEND ADVANTAGE MUNICIPAL FUND 3 (NVJ)  
NUVEEN OHIO QUALITY INCOME MUNICIPAL FUND, INC. (NUO)  
NUVEEN PENNSYLVANIA DIVIDEND ADVANTAGE MUNICIPAL FUND (NXM)  
NUVEEN PENNSYLVANIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NVY)  
NUVEEN PENNSYLVANIA INVESTMENT QUALITY MUNICIPAL FUND, INC. (NQP)  
NUVEEN PENNSYLVANIA PREMIUM INCOME MUNICIPAL FUND 2 (NPY)  
NUVEEN TEXAS QUALITY INCOME MUNICIPAL FUND (NTX)  
NUVEEN VIRGINIA PREMIUM INCOME MUNICIPAL FUND (NPV)  
NUVEEN VIRGINIA DIVIDEND ADVANTAGE MUNICIPAL FUND (NGB)  
NUVEEN VIRGINIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 (NNB)

### GENERAL INFORMATION

This Joint Proxy Statement is furnished in connection with the solicitation by the Board of Directors/Trustees (each a "Board" and collectively, the "Boards," and each Director or Trustee a "Board Member" and collectively, the "Board Members") of Nuveen Arizona Dividend Advantage Municipal Fund ("Arizona Dividend Advantage"), Nuveen Arizona Dividend Advantage Municipal Fund 2 ("Arizona Dividend Advantage 2"), Nuveen Arizona Dividend Advantage Municipal Fund 3 ("Arizona Dividend Advantage 3"), Nuveen California Dividend Advantage Municipal Fund ("California Dividend Advantage"), Nuveen California Dividend Advantage Municipal Fund 2 ("California Dividend Advantage 2"), Nuveen California Dividend Advantage Municipal Fund 3 ("California Dividend Advantage 3"), Nuveen California Premium Income Municipal Fund ("California Premium Income"), Nuveen Insured California

2

Dividend Advantage Municipal Fund ("Insured California Dividend Advantage"), Nuveen Insured California Tax-Free Advantage Municipal Fund ("Insured California Tax-Free Advantage"), Nuveen Connecticut Dividend Advantage Municipal Fund ("Connecticut Dividend Advantage"), Nuveen Connecticut Dividend Advantage Municipal Fund 2 ("Connecticut Dividend Advantage 2"), Nuveen Connecticut Dividend Advantage Municipal Fund 3 ("Connecticut Dividend Advantage 3"), Nuveen Connecticut Premium Income Municipal Fund ("Connecticut Premium Income"), Nuveen Florida Investment Quality Municipal Fund ("Florida Investment Quality"), Nuveen Florida Quality Income Municipal Fund ("Florida Quality"), Nuveen Insured Florida Premium Income Municipal Fund ("Insured Florida Premium Income"), Nuveen Insured Florida Tax-Free Advantage Municipal Fund ("Insured Florida Tax-Free Advantage"), Nuveen Georgia Dividend Advantage Municipal Fund ("Georgia Dividend Advantage"), Nuveen Georgia Dividend Advantage Municipal Fund 2 ("Georgia Dividend Advantage 2"), Nuveen Georgia Premium Income Municipal Fund ("Georgia Premium Income"), Nuveen Massachusetts Dividend Advantage Municipal Fund



("Massachusetts Dividend Advantage"), Nuveen Massachusetts Premium Income Municipal Fund ("Massachusetts Premium Income"), Nuveen Insured Massachusetts Tax-Free Advantage Municipal Fund ("Insured Massachusetts Tax-Free Advantage"), Nuveen Maryland Dividend Advantage Municipal Fund ("Maryland Dividend Advantage"), Nuveen Maryland Dividend Advantage Municipal Fund 2 ("Maryland Dividend Advantage 2"), Nuveen Maryland Dividend Advantage Municipal Fund 3 ("Maryland Dividend Advantage 3"), Nuveen Maryland Premium Income Municipal Fund ("Maryland Premium Income"), Nuveen Michigan Dividend Advantage Municipal Fund ("Michigan Dividend Advantage"), Nuveen Missouri Premium Income Municipal Fund ("Missouri Premium Income"), Nuveen New Jersey Dividend Advantage Municipal Fund ("New Jersey Dividend Advantage"), Nuveen New Jersey Dividend Advantage Municipal Fund 2 ("New Jersey Dividend Advantage 2"), Nuveen New York Dividend Advantage Municipal Fund ("New York Dividend Advantage"), Nuveen New York Dividend Advantage Municipal Fund 2 ("New York Dividend Advantage 2"), Nuveen Insured New York Dividend Advantage Municipal Fund ("Insured New York Dividend Advantage"), Nuveen Insured New York Tax-Free Advantage Municipal Fund ("Insured New York Tax-Free Advantage"), Nuveen North Carolina Dividend Advantage Municipal Fund ("North Carolina Dividend Advantage"), Nuveen North Carolina Dividend Advantage Municipal Fund 2 ("North Carolina Dividend Advantage 2"), Nuveen North Carolina Dividend Advantage Municipal Fund 3 ("North Carolina Dividend Advantage 3"), Nuveen North Carolina Premium Income Municipal Fund ("North Carolina Premium Income"), Nuveen Ohio Dividend Advantage Municipal Fund ("Ohio Dividend Advantage"), Nuveen Ohio Dividend Advantage Municipal Fund 2 ("Ohio Dividend Advantage 2"), Nuveen Ohio Dividend Advantage Municipal Fund 3 ("Ohio Dividend Advantage 3"), Nuveen Pennsylvania Dividend Advantage Municipal Fund ("Pennsylvania Dividend Advantage"), Nuveen Pennsylvania Dividend Advantage Municipal Fund 2 ("Pennsylvania Dividend Advantage 2"), Nuveen Pennsylvania Premium Income Municipal Fund 2 ("Pennsylvania Premium Income 2"), Nuveen Texas Quality Income Municipal Fund ("Texas Quality Income"), Nuveen Virginia Premium Income Municipal Fund ("Virginia Premium Income"), Nuveen Virginia Dividend Advantage Municipal Fund ("Virginia Dividend Advantage"), and Nuveen Virginia Dividend Advantage Municipal Fund 2 ("Virginia Dividend Advantage 2"), each a Massachusetts business trust, and Nuveen Arizona Premium Income Municipal Fund, Inc. ("Arizona Premium Income"), Nuveen California Investment Quality Municipal Fund, Inc. ("California Investment Quality"), Nuveen California Municipal Market Opportunity Fund, Inc. ("California Market Opportunity"), Nuveen California Municipal Value Fund, Inc. ("California Value Fund"), Nuveen California Performance Plus Municipal

3

Fund, Inc. ("California Performance Plus"), Nuveen California Quality Income Municipal Fund, Inc. ("California Investment Quality"), Nuveen California Select Quality Municipal Fund, Inc. ("California Select Quality"), Nuveen Insured California Premium Income Municipal Fund, Inc. ("Insured California Premium Income"), Nuveen Insured California Premium Income Municipal Fund 2, Inc. ("Insured California Premium Income 2"), Nuveen Michigan Premium Income Municipal Fund, Inc. ("Michigan Premium Income"), Nuveen Michigan Quality Income Municipal Fund, Inc. ("Michigan Quality Income"), Nuveen New Jersey Investment Quality Municipal Fund, Inc. ("New Jersey Investment Quality"), Nuveen New Jersey Premium Income Municipal Fund, Inc. ("New Jersey Premium Income"), Nuveen New York Investment Quality Municipal Fund, Inc. ("New York Investment Quality"), Nuveen New York Municipal Value Fund, Inc. ("New York Municipal Value"), Nuveen New York Performance Plus Municipal Fund, Inc. ("New York Performance Plus"), Nuveen New York Quality Income Municipal Fund, Inc. ("New York Quality Income"), Nuveen New York Select Quality Municipal Fund, Inc. ("New York Select Quality"), Nuveen Insured New York Premium Income Municipal Fund, Inc. ("Insured New York Premium Income"), Nuveen Ohio Quality Income Municipal Fund, Inc. ("Ohio Quality Income"), Nuveen Pennsylvania Investment Quality Municipal Fund, Inc. ("Pennsylvania Investment Quality"), each a Minnesota

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corporation, (individually, a "Fund" and collectively, the "Funds") of proxies to be voted at a Special Meeting of Shareholders to be held (along with the meeting of shareholders of several other Nuveen funds) in the Assembly Room of The Northern Trust Company, 50 South LaSalle Street, Chicago, Illinois 60675, on Tuesday, July 26, 2005, at 10:30 a.m., Chicago time, (for each Fund, a "Meeting" and collectively, the "Meetings"), and at any and all adjournments thereof.

On the matters coming before each Meeting as to which a choice has been specified by shareholders on the proxy, the shares will be voted accordingly. If a proxy is returned and no choice is specified, the shares will be voted FOR approval of the new investment management agreement. Shareholders who execute proxies may revoke them at any time before they are voted by filing with that Fund a written notice of revocation, by delivering a duly executed proxy bearing a later date or by attending the Meeting and voting in person.

This Joint Proxy Statement is first being mailed to shareholders on or about June 21, 2005.

The Board of each Fund has determined that the use of this Joint Proxy Statement for each Meeting is in the best interest of each Fund and its shareholders in light of the similar matters being considered and voted on by the shareholders.

The following table indicates which shareholders are solicited with respect to each matter:

MATTER	COMMON SHARES	PREFERRED SHARES (1)
1. To approve a new investment management agreement for each Fund	X	X

(1) Municipal Auction Rate Cumulative Preferred Shares ("MuniPreferred") are referred to as "Preferred Shares."

A quorum of shareholders is required to take action at each Meeting. A majority of the shares entitled to vote at each Meeting, represented in person or by proxy, will constitute a quorum of shareholders at that Meeting. Votes cast by proxy or in person at each Meeting will be tabulated by the inspectors of election appointed for that Meeting. The inspectors of election will determine whether or not a quorum is present at the Meeting. The inspectors of

election will treat abstentions and "broker non-votes" (i.e., shares held by brokers or nominees, typically in "street name," as to which (i) instructions have not been received from the beneficial owners or persons entitled to vote and (ii) the broker or nominee does not have discretionary voting power on a particular matter) as present for purposes of determining a quorum.

For purposes of determining the approval of the new investment management agreement, abstentions and broker non-votes will be treated as shares voted

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against the proposal. The details of the proposal to be voted on by the shareholders of each Fund and the vote required for approval of the proposal are set forth under the description of the proposal below.

Preferred Shares held in "street name" as to which voting instructions have not been received from the beneficial owners or persons entitled to vote as of one business day before the Meeting, or, if adjourned, one business day before the day to which the Meeting is adjourned, and that would otherwise be treated as "broker non-votes" may, pursuant to Rule 452 of the New York Stock Exchange, be voted by the broker on the proposal in the same proportion as the votes cast by all Preferred shareholders as a class who have voted on the proposal or in the same proportion as the votes cast by all Preferred shareholders of the Fund who have voted on that item. Rule 452 permits proportionate voting of Preferred Shares with respect to a particular item if, among other things, (i) a minimum of 30% of the Preferred Shares or shares of a series of Preferred Shares outstanding has been voted by the holders of such shares with respect to such item and (ii) less than 10% of the Preferred Shares or shares of a series of Preferred Shares outstanding has been voted by the holders of such shares against such item. For the purpose of meeting the 30% test, abstentions will be treated as shares "voted" and for the purpose of meeting the 10% test, abstentions will not be treated as shares "voted" against the item.

5

Those persons who were shareholders of record at the close of business on May 31, 2005 will be entitled to one vote for each share held. As of May 31, 2005, the shares of the Funds were issued and outstanding as follows:

FUND	TICKER SYMBOL*	COMMON SHARES	PREFERRED SHARES
Arizona Dividend Advantaged	NFZ	1,545,185	Series T 480
Arizona Dividend Advantage 2	NKR	2,423,648	Series W 740
Arizona Dividend Advantage 3	NXE	3,067,243	Series M 880
Arizona Premium Income	NAZ	4,459,417	Series TH 1,200
California Dividend Advantage	NAC	23,412,013	Series TH 3,500 Series F 3,500
California Dividend Advantage 2	NVX	14,790,660	Series M 2,200 Series F 2,200
California Dividend Advantage 3	NZH	24,112,833	Series M 3,740 Series TH 3,740
California Investment Quality	NQC	13,580,232	Series M 3,600 Series W 880
California Municipal Market Opportunity	NCO	8,154,681	Series W 2,200 Series F 520
California Municipal Value	NCA	25,241,808	N/A

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California Performance Plus	NCP	12,965,742	Series T Series W Series F	1,800 640 1,800
California Premium Income	NCU	5,774,216	Series M	1,720
California Quality Income	NUC	21,999,728	Series M Series W Series F	1,400 3,000 3,000
California Select Quality	NVC	23,096,654	Series T Series W Series TH	2,400 1,680 3,600
Insured California Dividend Advantage	NKL	15,259,759	Series T  Series F	2,360  2,360
Insured California Premium Income	NPC	6,448,935	Series T	1,800
Insured California Premium Income 2	NCL	12,713,231	Series T Series TH	1,900 1,900
Insured California Tax-Free Advantage	NKX	5,883,301	Series TH	1,800
Connecticut Dividend Advantage	NFC	2,564,283	Series T	780
Connecticut Dividend Advantage 2	NGK	2,309,188	Series W	700
Connecticut Dividend Advantage 3	NGO	4,350,795	Series F	1,280
Connecticut Premium Income	NTC	5,343,880	Series TH	1,532

6

FUND	TICKER SYMBOL*	COMMON SHARES	PREFERRED SHARES	
Florida Investment Quality	NQF	16,574,056	Series T Series F	3,080 2,200
Florida Quality Income	NUF	14,299,880	Series M Series TH Series F	1,700 1,700 1,280
Insured Florida Premium Income	NFL	14,376,794	Series W Series TH	1,640 2,800
Insured Florida Tax-Free Advantage	NWF	3,882,034	Series W	1,160
Georgia Dividend Advantage	NZX	1,961,483	Series M	600
Georgia Dividend Advantage 2	NKG	4,553,660	Series F	1,320

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Georgia Premium Income	NPG	3,796,767	Series TH	1,112
Massachusetts Dividend Advantage	NMB	1,951,293	Series T	600
Massachusetts Premium Income	NMT	4,744,935	Series TH	1,360
Insured Massachusetts Tax-Free Advantage	NGX	2,719,407	Series W	820
Maryland Dividend Advantage	NFM	4,166,281	Series M	1,280
Maryland Dividend Advantage 2	NZR	4,174,247	Series F	1,280
Maryland Dividend Advantage 3	NWI	5,359,275	Series T	1,560
Maryland Premium Income	NMY	10,612,282	Series W Series TH	1,404 1,760
Michigan Dividend Advantage	NZW	2,061,085	Series W	640
Michigan Premium Income	NMP	7,745,623	Series M Series TH	840 1,400
Michigan Quality Income	NUM	11,706,154	Series TH Series F	3,200 560
Missouri Premium Income	NOM	2,264,054	Series TH	640
New Jersey Dividend Advantage	NXJ	6,556,261	Series T	1,920
New Jersey Dividend Advantage 2	NUJ	4,509,839	Series W	1,380
New Jersey Investment Quality	NQJ	20,444,580	Series M Series TH Series F	3,200 2,000 1,280
New Jersey Premium Income	NNJ	12,039,329	Series T Series W Series TH	624 1,440 1,600
New York Dividend Advantage	NAN	9,195,882	Series F	2,760
New York Dividend Advantage 2	NXK	6,457,000	Series W	1,880
New York Investment Quality	NQN	17,720,933	Series M Series T Series F	960 2,400 2,400
New York Municipal Value	NNY	15,120,364	N/A	

7

FUND	TICKER SYMBOL*	COMMON SHARES	PREFERRED SHARES
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New York Performance Plus	NNP	14,977,135	Series M	1,600
			Series T	800
			Series W	2,000
			Series F	572
New York Quality Income	NUN	24,083,739	Series M	2,200
			Series W	2,200
			Series TH	2,400
			Series F	1,080
New York Select Quality	NVN	23,435,202	Series T	1,720
			Series W	2,400
			Series TH	3,600
Insured New York Dividend Advantage	NKO	7,957,934	Series TH	2,440
Insured New York Premium Income	NNF	8,329,215	Series M	1,320
			Series T	1,280
Insured New York Tax-Free Advantage	NRK	3,512,848	Series TH	1,080
North Carolina Dividend Advantage	NRB	2,252,723	Series T	680
North Carolina Dividend Advantage 2	NNO	3,740,045	Series F	1,120
North Carolina Dividend Advantage 3	NII	3,925,825	Series W	1,120
North Carolina Premium Income	NNC	6,334,245	Series TH	1,872
Ohio Dividend Advantage	NXI	4,234,055	Series W	1,240
Ohio Dividend Advantage 2	NBJ	3,118,765	Series F	960
Ohio Dividend Advantage 3	NVJ	2,157,781	Series T	660
Ohio Quality Income	NUO	9,699,620	Series M	680
			Series TH	1,400
			Series TH2	1,000
Pennsylvania Dividend Advantage	NXM	3,308,738	Series T	1,000
Pennsylvania Dividend Advantage 2	NVY	3,724,790	Series M	1,140
Pennsylvania Investment Quality	NQP	16,301,498	Series T	880
			Series W	2,400
			Series TH	2,000
Pennsylvania Premium Income 2	NPY	15,812,637	Series M	844
			Series TH	2,080
			Series F	1,800

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FUND	TICKER SYMBOL*	COMMON SHARES	PREFERRED SHARES
Texas Quality Income	NTX	9,483,870	Series M 760 Series TH 2,000
Virginia Premium Income	NPV	8,871,611	Series T 832 Series TH 1,720
Virginia Dividend Advantage	NGB	3,123,586	Series W 960
Virginia Dividend Advantage 2	NNB	5,708,726	Series M 1,680

\* The common shares of all of the Funds are listed on the New York Stock Exchange, except NFZ, NKR, NXE, NCU, NVX, NZH, NKL, NKO, NKX, NFC, NGK, NGO, NWF, NZX, NKG, NPG, NFM, NZR, NWI, NGX, NMB, NZW, NOM, NXJ, NXX, NUJ, NRB, NRK, NNO, NII, NXI, NBJ, NVJ, NXM, NVY, NGB and NNB, which are listed on the American Stock Exchange.

The number of shares of each Fund beneficially owned by each Board Member and by the Board Members and officers of the Funds as a group as of December 31, 2004 is set forth in Appendix A. On December 31, 2004, Board Members and executive officers as a group beneficially owned 1,196,807 shares of all funds managed by Nuveen Asset Management ("NAM" or the "Adviser") (includes shares held by Board Members through the Deferred Compensation Plan for Independent Board Members and by executive officers in Nuveen's 401(k)/profit sharing plan). Each Board Member's individual beneficial shareholdings of each Fund constituted less than 1% of the outstanding shares of each Fund. As of May 31, 2005, the Board Members and executive officers as a group beneficially owned less than 1% of the outstanding Common Shares of each Fund. As of May 31, 2005, no shareholder beneficially owned more than 5% of any class of shares of any Fund.

1. APPROVAL OF THE NEW INVESTMENT MANAGEMENT AGREEMENTS

BACKGROUND

Under an investment management agreement between the Adviser and each Fund (each, an "Original Investment Management Agreement" and collectively, the "Original Investment Management Agreements"), NAM has served as each Fund's investment adviser and has been responsible for each Fund's overall investment strategy and its implementation. The date of each Fund's Original Investment Management Agreement and the date on which it was last approved by shareholders and approved for continuance by the Board is provided in Appendix B. NAM is a wholly-owned subsidiary of Nuveen Investments, Inc. ("Nuveen"). Nuveen is a publicly traded company and, until recently, was a majority-owned subsidiary of The St. Paul Travelers Companies, Inc. ("St. Paul Travelers"), 385 Washington Street, St. Paul, Minnesota 55102. St. Paul Travelers is a publicly-traded company that is principally engaged in providing property-liability insurance through subsidiaries.

On March 25, 2005, Nuveen and St. Paul Travelers announced that St. Paul Travelers planned to implement a three-part program to sell its equity interest in Nuveen (the "Sale"). As part of St. Paul Travelers' previously announced three-part divestiture program, St. Paul Travelers sold 39.3 million shares of

Nuveen's approximately 94 million outstanding common shares through a secondary public offering on April 12, 2005. Nuveen also repurchased \$600 million of its common shares from St. Paul Travelers at a price of \$32.98 per share, or approximately 18.2 million shares. The repurchase of these shares is being completed through two steps--a \$200 million repurchase that closed on April 12, 2005, and a \$400 million forward purchase (plus interest) that will settle later this year. St. Paul Travelers also entered into an

9

agreement with two other parties to sell approximately 12 million common shares of Nuveen for settlement later this year. Upon the closing of the secondary offering and the initial repurchase by Nuveen as well as the closing for the forward sale transactions later this year, Nuveen will emerge as a fully independent public company.

Each Original Investment Management Agreement, as required by Section 15 of the Investment Company Act of 1940, as amended (the "1940 Act"), provides for its automatic termination in the event of its "assignment" (as defined in the 1940 Act). Any change in control of the Adviser is deemed to be an assignment. The consummation of the Sale may be deemed a change in control of the Adviser and therefore cause the automatic termination of each Original Investment Management Agreement, as required by the 1940 Act.

In anticipation of the Sale, each Board met in person at a joint meeting of each Fund's Board on May 10-12, 2005 for purposes of, among other things, considering whether it would be in the best interests of each Fund and its shareholders to approve a new investment management agreement between the Fund and NAM (each a "New Investment Management Agreement" and collectively, the "New Investment Management Agreements").

The 1940 Act requires that each New Investment Management Agreement be approved by the Fund's shareholders in order for it to become effective. At the Board meeting, and for the reasons discussed below (see "Board Considerations" below), each Board, including a majority of the Board Members who are not parties to the Original Investment Management Agreements or New Investment Management Agreements entered into by the Adviser with respect to any Fund or who are not "interested persons" of the Funds or the Adviser as defined in the 1940 Act (the "Independent Board Members"), unanimously approved the New Investment Management Agreement and unanimously recommended its approval by shareholders in order to assure continuity of investment advisory services to the Fund after the Sale. In the event shareholders of a Fund do not approve the New Investment Management Agreement, the Board will take such action as it deems to be in the best interests of the Fund and its shareholders. The form of the New Investment Management Agreement is attached hereto as Appendix C.

#### COMPARISON OF ORIGINAL INVESTMENT MANAGEMENT AGREEMENT AND NEW INVESTMENT MANAGEMENT AGREEMENT

The terms of each New Investment Management Agreement, including fees payable to the Adviser by the Fund thereunder, are substantially identical to those of the Original Investment Management Agreement, except for the date of effectiveness. There is no change in the fee rate payable by each Fund to the Adviser. If approved by shareholders of a Fund, the New Investment Management Agreement for the Fund will expire on August 1, 2006, unless continued. Each New Investment Management Agreement will continue in effect from year to year thereafter if such continuance is approved for the Fund at least annually in the manner required by the 1940 Act and the rules and regulations thereunder. Below is a comparison of certain terms of the Original Investment Management Agreement to



the terms of the New Investment Management Agreement.

INVESTMENT MANAGEMENT SERVICES. The investment management services to be provided by the Adviser to each Fund under the New Investment Management Agreements will be identical to those services currently provided by the Adviser to each Fund under the Original Investment Management Agreements. Both the Original Investment Management Agreements and New

10

Investment Management Agreements provide that the Adviser shall manage the investment and reinvestment of the Fund's assets in accordance with the Fund's investment objective and policies and limitations and administer the Fund's affairs to the extent requested by and subject to the supervision of the Fund's Board. In addition, the investment management services will be provided by the same Adviser personnel under the New Investment Management Agreements as under the Original Investment Management Agreements. The Adviser does not anticipate that the Sale will have any adverse effect on the performance of its obligations under the New Investment Management Agreements.

FEES. Under each Original Investment Management Agreement and New Investment Management Agreement, the Fund pays to the Adviser an investment management fee that consists of two components--a fund-level component, based only on the amount of assets within each individual Fund, and a complex-level component, based on the aggregate managed assets (which includes assets attributable to all types of leverage used in leveraged funds) of all Nuveen-branded closed-end and open-end registered investment companies organized in the United States. The investment management fee paid by each Fund equals the sum of the fund-level component and complex-level component.

The fee schedules for the fund-level component and complex-level component to be paid to the Adviser under the New Investment Management Agreements are identical to the fund-level component and complex-level component paid to the Adviser under the Original Investment Management Agreements. The annual fund-level component for each Fund under the Original Investment Management Agreements and the New Investment Management Agreements, the fees paid by each Fund to the Adviser during each Fund's last fiscal year and the Fund's net assets as of May 1, 2005 are set forth in Appendix D to this Proxy Statement. The fee schedule for the complex-level component is the same for each Fund under both the Original Investment Management Agreements and New Investment Management Agreements and is also set forth in Appendix D.

PAYMENT OF EXPENSES. Under each Original Investment Management Agreement and each New Investment Management Agreement, the Adviser shall furnish office facilities and equipment and clerical, bookkeeping and administrative services (other than such services, if any, provided by the Fund's transfer agent) for the Fund.

LIMITATION ON LIABILITY. The Original Investment Management Agreements and New Investment Management Agreements provide that the Adviser will not be liable for any loss sustained by reason of the purchase, sale or retention of any security, whether or not such purchase, sale or retention shall have been based upon the investigation and research made by any other individual, firm or corporation, if such recommendation shall have been selected with due care and in good faith, except loss resulting from willful misfeasance, bad faith or gross negligence on the part of the Adviser in the performance of its obligations and duties, or by reason of its reckless disregard of its obligations and duties under the Agreement.

CONTINUANCE. The Original Investment Management Agreement of each Fund originally was in effect for an initial term and could be continued thereafter

for successive one-year periods if such continuance was specifically approved at least annually in the manner required by the 1940 Act. If the shareholders of a Fund approve the New Investment Management Agreement for that Fund, the New Investment Management Agreement will expire on August 1, 2006, unless continued. The New Investment Management Agreement may be

11

continued for successive one-year periods if approved at least annually in the manner required by the 1940 Act.

TERMINATION. The Original Investment Management Agreement and New Investment Management Agreement for each Fund provide that the Agreement may be terminated at any time without the payment of any penalty by the Fund or Adviser on sixty (60) days' written notice to the other party. A Fund may effect termination by action of the Board or by vote of a majority of the outstanding voting securities of the Fund, accompanied by appropriate notice.

#### BOARD CONSIDERATIONS

At a meeting held on May 10-12, 2005, the Board of each Fund, including the Independent Board Members, unanimously approved the New Investment Management Agreement between each Fund and NAM.

To assist the Board in its evaluation of an advisory contract with NAM, the Independent Board Members received a report in adequate time in advance of their meeting which outlined, among other things, the services provided by NAM; the organization of NAM, including the responsibilities of various departments and key personnel; the Fund's past performance as well as the Fund's performance compared to funds of similar investment objectives compiled by an independent third party (a "Peer Group") and if available, with recognized or, in certain cases, customized benchmarks; the profitability of NAM and certain industry profitability analyses for advisers to unaffiliated investment companies; the expenses of NAM in providing the various services; the advisory fees of NAM, including comparisons of such fees with the management fees of comparable funds in its Peer Group as well as comparisons of NAM's management fees with the fees NAM assesses to other types of investment products or accounts, if any; the soft dollar practices of NAM; and the expenses of each Fund, including comparisons of the Fund's expense ratios (after any fee waivers) with the expense ratios of its Peer Group. This information supplements that received by the Board throughout the year regarding Fund performance, expense ratios, portfolio composition, trade execution and sales activity.

In addition to the foregoing materials, independent legal counsel to the Independent Board Members provided, in advance of the meeting, a legal memorandum outlining, among other things, the duties of the Board Members under the 1940 Act as well as the general principles of relevant state law in reviewing and approving advisory contracts; the requirements of the 1940 Act in such matters; an adviser's fiduciary duty with respect to advisory agreements and compensation; the standards used by courts in determining whether investment company boards of directors have fulfilled their duties and factors to be considered by the board in voting on advisory agreements.

At the Board meeting, NAM made a presentation to and responded to questions from the Board. After the presentations and after reviewing the written materials, the Independent Board Members met privately with their legal counsel to review the Board's duties in reviewing advisory contracts and consider the renewal of the advisory contract. It is with this background that the Board Members considered each Investment Management Agreement with NAM. The Independent Board Members, in consultation with independent counsel, reviewed the factors set out in judicial decisions and Securities and Exchange Commission directives relating

to the renewal of advisory contracts. As outlined in more detail below, the

12

Board Members considered all factors they believed relevant with respect to each Fund, including the following: (a) the nature, extent and quality of the services to be provided by NAM; (b) the investment performance of the Fund and NAM; (c) the costs of the services to be provided and profits to be realized by NAM and its affiliates from the relationship with the Fund; (d) the extent to which economies of scale would be realized as the Fund grows; and (e) whether fee levels reflect these economies of scale for the benefit of Fund investors.

A. NATURE, EXTENT AND QUALITY OF SERVICES

In evaluating the nature, extent and quality of NAM's services, the Board Members reviewed information concerning the types of services that NAM or its affiliates provide and are expected to provide to the Nuveen Funds; narrative and statistical information concerning the Fund's performance record and how such performance compares to the Fund's Peer Group and, if available, recognized benchmarks or, in certain cases, customized benchmarks (as described in further detail in Section B below); information describing NAM's organization and its various departments, the experience and responsibilities of key personnel, and available resources. In the discussion of key personnel, the Board Members received materials regarding the changes or additions in personnel of NAM. The Board Members further noted the willingness of the personnel of NAM to engage in open, candid discussions with the Board. The Board Members further considered the quality of NAM's investment process in making portfolio management decisions, including any refinements or improvements to the portfolio management processes, enhancements to technology and systems that are available to portfolio managers, and any additions of new personnel which may strengthen or expand the research and investment capabilities of NAM. In their review of the advisory contracts for the fixed income funds, the Board Members also noted that Nuveen won the Lipper Award for Best Fund Family: Fixed Income-Large Asset Class, for 2004. Given the Board Members' experience with the Funds, other Nuveen funds and NAM, the Board Members noted that they were familiar with and continue to have a good understanding of the organization, operations and personnel of NAM.

In addition to advisory services, the Independent Board Members considered the quality of the administrative or non-advisory services provided. In this regard, NAM provides the Fund with such administrative and other services (exclusive of, and in addition to, any such services provided by others for the Funds) and officers and other personnel as are necessary for the operations of the respective Fund. In addition to investment management services, NAM and its affiliates provide each Fund with a wide range of services, including: preparing shareholder reports; providing daily accounting; providing quarterly financial statements; overseeing and coordinating the activities of other service providers; administering and organizing Board meetings and preparing the Board materials for such meetings; providing legal support (such as helping to prepare registration statements, amendments thereto and proxy statements and responding to regulatory inquiries); and performing other Fund administrative tasks necessary for the operation of the respective Fund (such as tax reporting and fulfilling regulatory filing requirements). In addition, in evaluating the administrative services, the Board Members considered, in particular, NAM's policies and procedures for assuring compliance with applicable laws and regulations in light of the new Securities and Exchange Commission regulations governing compliance. The Board Members noted NAM's focus on compliance and its compliance systems. In their review, the Board Members considered, among other things, the additions of experienced personnel to NAM's compliance group and

modifications and other enhancements to NAM's computer systems. In

13

addition to the foregoing, the Board Members also noted that NAM outsources certain services that cannot be replicated without significant costs or at the same level of expertise. Such outsourcing has been a beneficial and efficient use of resources by keeping expenses low while obtaining quality services.

In addition to the above, in reviewing the variety of additional services that NAM or its affiliates must provide to closed-end funds, such as the Funds, the Independent Board Members determined that Nuveen's commitment to supporting the secondary market for the common shares of its closed-end funds is particularly noteworthy. In this regard, the Board Members noted Nuveen's efforts to sponsor numerous forums for analysts and specialists regarding the various Nuveen closed-end funds, its creation of a new senior position dedicated to providing secondary market support services and enhancing communications with investors and analysts, and its advertising and media relations efforts designed to raise investor and analyst awareness of the closed-end funds.

With respect to services provided to municipal funds, such as the Funds, the Board Members also noted, among other things, the enhancements NAM implemented to its municipal portfolio management processes (e.g., the increased use of benchmarks to guide and assess the performance of its portfolio managers); the implementation of a risk management program; and the various initiatives being undertaken to enhance or modify NAM's computer systems as necessary to support the innovations of the municipal investment team (such as, the ability to assess certain historical data in order to create customized benchmarks, perform attribution analysis and facilitate the use of derivatives as hedging instruments). With respect to certain of the Funds with a less seasoned portfolio, the Board Members also noted the hedging program implemented for such Funds and the team responsible for developing, implementing and monitoring the hedging procedures. The hedging program was designed to help maintain the applicable Fund's duration within certain benchmarks.

Based on their review, the Board Members found that, overall, the nature, extent and quality of services provided (and expected to be provided) to the Funds under the Investment Management Agreements were of a high level and were quite satisfactory.

#### B. THE INVESTMENT PERFORMANCE OF THE FUND AND ADVISER

As previously noted, the Board received a myriad of performance information regarding each Fund and its Peer Group. Among other things, the Board received materials reflecting a Fund's historic performance, the Fund's performance compared to its Peer Group and, if available, its performance compared to recognized and, in certain cases, customized benchmarks. Further, in evaluating the performance information, in certain limited instances, the Board Members noted that the closest Peer Group for a Fund still would not adequately reflect such Fund's investment objectives and strategies, thereby limiting the usefulness of the comparisons of such Fund's performance with that of the Peer Group.

For state municipal funds, such as the Funds, the performance data included, among other things, the respective Fund's performance relative to its peers. More specifically, a Fund's one-, three- and five-year total returns (as available) for the periods ending December 31, 2004 were evaluated relative to the unaffiliated funds in its respective Peer Group (including the returns of individual peers as well as the Peer Group average) as well as additional performance information with respect to all the funds in the Peer Group, subject

to the following. Certain state municipal Funds do not have a corresponding Peer Group in which

14

case their performance is measured against a state-specific municipal index compiled by an independent third party. Such indices measure bond performance rather than fund performance. The Funds that utilize such indices are from Connecticut, Georgia, Maryland, Missouri, North Carolina, Texas and Virginia. Based on their review, the Board Members determined that the respective Fund's absolute and relative investment performance over time had been satisfactory.

#### C. FEES, EXPENSES AND PROFITABILITY

FEES AND EXPENSES. In evaluating the management fees and expenses that a Fund is expected to bear, the Board Members considered the Fund's current management fee structure and the Fund's expected expense ratios in absolute terms as well as compared with the fees and expense ratios of the unaffiliated funds in its Peer Group. The Board Members reviewed the financial information of NAM, including its respective revenues, expenses and profitability. In reviewing fees, the Board Members, among other things, reviewed comparisons of the Fund's gross management fees (fees after fund-level and complex-wide level breakpoints but before reimbursement and fee waivers), net management fees (after breakpoints and reimbursements and fee waivers) and total expense ratios (before and after waivers) with those of the unaffiliated funds in the Peer Group and peer averages. In this regard, the Board Members noted that the relative ranking of the Nuveen Funds on fees and expenses was aided by the significant level of fee reductions provided by the fund-level and complex-wide breakpoint schedules, and the fee waivers and reimbursements provided by Nuveen for certain Funds launched since 1999. The complex-wide breakpoint schedule was instituted in 2004 and is described in further detail below in Section D entitled "Economies of Scale and Whether Fee Levels Reflect these Economies of Scale." In their review of the fee and expense information provided, including, in particular, the expense ratios of the unaffiliated funds in the respective Peer Group, the Board Members determined that each Fund's net total expense ratio was within an acceptable range compared to such peers.

COMPARISONS WITH THE FEES OF OTHER CLIENTS. The Board Members further compared the fees of NAM to the fees NAM assessed for other types of clients investing in municipal funds (such as municipal managed accounts). With respect to such separately managed accounts, the advisory fees for such accounts are generally lower than those charged to the comparable Fund. The Board Members noted, however, the additional services that are provided and the costs incurred by Nuveen in managing and operating registered investment companies, such as the Funds, compared to individually managed separate accounts. For instance, as described above, NAM and its affiliates provide numerous services to the Funds including, but not limited to, preparing shareholder reports; providing daily accounting; preparing quarterly financial statements; overseeing and coordinating the activities of other service providers; administering and organizing Board meetings and preparing the Board materials for such meetings; providing legal support; and administering all other aspects of the Fund's operations. Further, the Board Members noted the increased compliance requirements for funds in light of new Securities and Exchange Commission regulations and other legislation. These services are generally not required to the same extent, if at all, for separate accounts. In addition to the differences in services, the Board Members also considered, among other things, the differences in product distribution, investment policies, investor profiles and account sizes. Accordingly, the Board Members believe that the nature and number of services provided to operate a Fund merit the higher fees than those

to separate managed accounts.

15

PROFITABILITY OF ADVISER. In conjunction with its review of fees, the Board Members also considered NAM's profitability. The Board Members reviewed NAM's revenues, expenses and profitability margins (on both a pre-tax and after-tax basis). In reviewing profitability, the Board Members recognized that one of the most difficult issues in determining profitability is establishing a method of allocating expenses. Accordingly, the Board Members reviewed NAM's assumptions and methodology of allocating expenses. In this regard, the methods of allocation used appeared reasonable but the Board noted the inherent limitations in allocating costs among various advisory products. The Board Members also recognized that individual fund or product line profitability of other advisers is generally not publicly available. Further, profitability may be affected by numerous factors including the types of funds managed, expense allocations, business mix, etc. and therefore comparability of profitability is somewhat limited. Nevertheless, to the extent available, the Board Members considered NAM's profit margin compared to the profitability of various publicly-traded investment management companies and/or investment management companies that publicly disclose some or all of their financial results compiled by three independent third-party service providers. The Board Members also reviewed the revenues, expenses and profit margins of various unaffiliated advisory firms with similar amounts of assets under management for the last year prepared by NAM. Based on their review, the Board Members were satisfied that NAM's level of profitability from its relationship with each Fund was reasonable in light of the services provided.

In evaluating the reasonableness of the compensation, the Board Members also considered any other revenues paid to NAM as well as any indirect benefits (such as soft dollar arrangements, if any) NAM and its affiliates are expected to receive that are directly attributable to their management of the Funds, if any. See Section E below for additional information. Based on their review of the overall fee arrangements of the applicable Fund, the Board Members determined that the advisory fees and expenses of the respective Fund were reasonable.

D. ECONOMIES OF SCALE AND WHETHER FEE LEVELS REFLECT THESE ECONOMIES OF SCALE

In reviewing the compensation, the Board Members have long understood the benefits of economies of scale as the assets of a fund grows and have sought to ensure that shareholders share in these benefits. One method for shareholders to share in economies of scale is to include breakpoints in the advisory fee schedules that reduce fees as fund assets grow. Accordingly, the Board Members received and reviewed the schedules of advisory fees for each Fund, including fund-level breakpoints thereto. In addition, after lengthy negotiations with management, the Board in May 2004 approved a complex-wide fee arrangement pursuant to which fees of the funds in the Nuveen complex, including the Funds, are reduced as the assets in the fund complex reach certain levels. The complex-wide fee arrangement was introduced on August 1, 2004 and the Board Members reviewed data regarding the reductions of fees for the Funds for the period of August 1, 2004 to December 31, 2004. In evaluating the complex-wide fee arrangement, the Board Members considered, among other things, the historic and expected fee savings to shareholders as assets grow, the amount of fee reductions at various asset levels, and that the arrangement would extend to all funds in the Nuveen complex. The Board Members also considered the impact, if any, the complex-wide fee arrangement may have on the level of services provided. Based on their review, the Board Members concluded that the breakpoint schedule and complex-wide fee arrangement

16

currently was acceptable and desirable in providing benefits from economies of scale to shareholders.

E. INDIRECT BENEFITS

In evaluating fees, the Board Members also considered any indirect benefits or profits NAM or its affiliates may receive as a result of its relationship with each Fund. In this regard, the Board Members considered any benefits from soft dollar arrangements. The Board Members noted that although NAM manages a large amount of assets, it has very little, if any, brokerage to allocate. This is due to the fact that NAM typically manages the portfolios of the municipal funds in the Nuveen complex and municipal bonds generally trade on a principal basis. Accordingly, NAM does not currently have any soft dollar arrangements and does not pay excess brokerage commissions (or spreads on principal transactions) in order to receive research services. In addition to soft dollar arrangements, the Board Members also considered any other revenues, if any, received by NAM or its affiliates. With respect to Funds with outstanding preferred shares and new Funds, the Board Members considered revenues received by Nuveen for serving as agent for broker-dealers at its preferred trading desk and for acting as co-manager in the initial public offering of new closed-end exchange-traded funds.

F. OTHER CONSIDERATIONS

Nuveen, until recently, was a majority-owned subsidiary of St. Paul Travelers. As noted, St. Paul Travelers earlier this year announced its intention to divest its equity stake in Nuveen. Nuveen is the parent of NAM. Pursuant to a series of transactions, St. Paul Travelers has begun to reduce its interest in Nuveen which will ultimately result in a change of control of Nuveen and therefore NAM. As mandated by the 1940 Act, such a change in control would result in an assignment of the advisory agreement with NAM and the automatic termination of such agreement. Accordingly, the Board also considered for each Fund the approval of a New Investment Management Agreement with each Fund in light of, and which would take effect upon, the anticipated change of control. More specifically, the Board considered for each Fund a New Investment Management Agreement on substantially identical terms to the existing Investment Management Agreement, to take effect after the change of control has occurred and the contract has been approved by Fund shareholders. In its review, the Board considered whether the various transactions necessary to divest St. Paul Travelers' interest will have an impact on the various factors they considered in approving NAM, such as the scope and quality of services to be provided following the change of control. In reviewing the St. Paul Travelers transactions, the Board considered, among other things, the impact, if any, on the operations and organizational structure of NAM; the possible benefits and costs of the transactions to the respective Fund; the potential implications of any arrangements used by Nuveen to finance certain of the transactions; the ability of NAM to perform its duties after the transactions; whether a Fund's fee structure or expense ratio would change; any changes to the current practices of the respective Fund; any changes to the terms of the advisory agreement; and any anticipated changes to the operations of NAM. Based on its review, the Board determined that St. Paul Travelers' divestiture would not affect the nature and quality of services provided by NAM, the terms of the Investment Management Agreement, including the fees thereunder, and would not materially affect the organization or operations of NAM.

17

Accordingly, the Board determined that their analysis of the various factors regarding their approval of NAM would continue to apply after the change of control.

G. APPROVAL

The Board Members did not identify any single factor discussed previously as all-important or controlling. The Board Members, including a majority of Independent Board Members, concluded that the terms of the Investment Management Agreements were fair and reasonable, that the respective Fund Adviser's fees are reasonable in light of the services provided to each Fund, that the renewal of the NAM Investment Management Agreements should be approved, and that the new, post-change of control NAM Investment Management Agreements be approved and recommended to shareholders.

INFORMATION ABOUT THE ADVISER

NAM, a registered investment adviser, is a wholly-owned subsidiary of Nuveen. Founded in 1898, Nuveen and its affiliates had approximately \$119 billion in assets under management as of March 31, 2005. Nuveen is a publicly traded company and is listed on the New York Stock Exchange and trades under the symbol "JNC."

The principal occupation of the officers and directors of NAM is shown in Appendix E. The business address of NAM, Nuveen and each principal executive officer and director of NAM is 333 West Wacker Drive, Chicago, Illinois 60606.

Board Member Schwertfeger sold 330,950 shares of Class A Stock of Nuveen on the New York Stock Exchange since June 1, 2003. Mr. Schwertfeger received \$9,483,036 in exchange for his shares of Nuveen sold.

SHAREHOLDER APPROVAL

To become effective with respect to a particular Fund, the New Investment Management Agreement must be approved by a vote of a majority of the outstanding voting securities of the Fund, with the Common and Preferred shareholders voting together as a single class. The "vote of a majority of the outstanding voting securities" is defined in the 1940 Act as the lesser of the vote of (i) 67% or more of the shares of the Fund entitled to vote thereon present at the meeting if the holders of more than 50% of such outstanding shares are present in person or represented by proxy; or (ii) more than 50% of such outstanding shares of the Fund entitled to vote thereon. Each New Investment Management Agreement was approved by the Board of the respective Fund after consideration of all factors which it determined to be relevant to its deliberations, including those discussed above. The Board of each Fund also determined to submit the Fund's New Investment Management Agreement for consideration by the shareholders of the Fund.

THE BOARD OF EACH FUND UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS OF THE FUND VOTE FOR APPROVAL OF THE NEW INVESTMENT MANAGEMENT AGREEMENT.

18

ADDITIONAL INFORMATION

SHAREHOLDER PROPOSALS

The Funds (except New York Dividend Advantage, New York Dividend Advantage 2, New York Investment Quality, New York Municipal Value, New York Performance Plus, New York Quality Income, New York Select Quality, Insured New York



Dividend Advantage, Insured New York Premium Income and Insured New York Tax-Free Advantage) have yet to hold their 2005 annual meeting of shareholders. For the 2005 annual meeting, shareholder proposals submitted pursuant to Rule 14a-8 of the Securities and Exchange Act of 1934 had to have been received at the offices of that Fund, 333 West Wacker Drive, Chicago, Illinois 60606, by June 20, 2005. A shareholder wishing to provide notice in the manner prescribed by Rule 14a-4(c)(1) of a proposal submitted outside of the process of Rule 14a-8 for the 2005 annual meeting must submit such written notice to the Fund not later than September 3, 2005. For New York Dividend Advantage, New York Dividend Advantage 2, New York Investment Quality, New York Municipal Value, New York Performance Plus, New York Quality Income, New York Select Quality, Insured New York Dividend Advantage, Insured New York Premium Income and Insured New York Tax-Free Advantage, a shareholder proposal, pursuant to Rule 14a-8, to be considered for presentation at the 2006 annual meeting must be received at the address above not later than October 20, 2005. A shareholder wishing to provide notice in the manner prescribed by Rule 14a-4(c)(1) of a proposal submitted outside of the process of Rule 14a-8 must submit such written notice to the Fund not later than January 3, 2006.

Timely submission of a proposal does not mean that such proposal will be included in a proxy statement.

#### SHAREHOLDER COMMUNICATIONS

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

#### EXPENSES OF PROXY SOLICITATION

The cost of preparing, printing and mailing the enclosed proxy, accompanying notice and proxy statement and all other costs in connection with the solicitation of proxies will be paid by Nuveen. Solicitation may be made by letter or telephone by officers or employees of Nuveen or the Adviser, or by dealers and their representatives.

19

#### FISCAL YEAR

The last fiscal year end for each of the Funds is as follows: May 31, 2004 for Connecticut Dividend Advantage, Connecticut Dividend Advantage 2, Connecticut Dividend Advantage 3, Connecticut Premium Income, Georgia Dividend Advantage, Georgia Dividend Advantage 2, Georgia Premium Income, Massachusetts Dividend Advantage, Massachusetts Premium Income, Insured Massachusetts Tax-Free Advantaged, Maryland Dividend Advantage, Maryland Dividend Advantage 2, Maryland Dividend Advantage 3, Maryland Premium Income, Missouri Premium Income, North Carolina Dividend Advantage, North Carolina Dividend Advantage 2, North Carolina Dividend Advantage 3, North Carolina Premium Income, Virginia Premium Income,

Virginia Dividend Advantage, and Virginia Dividend Advantage 2; June 30, 2004 for Florida Investment Quality, Florida Quality, Insured Florida Premium Income, Insured Florida Tax-Free Advantage, New Jersey Dividend Advantage, New Jersey Dividend Advantage 2, New Jersey Investment Quality, New Jersey Premium Income, Pennsylvania Dividend Advantage, Pennsylvania Dividend Advantage 2, Pennsylvania Investment Quality, Pennsylvania Premium Income 2; July 31, 2004 for Arizona Dividend Advantage, Arizona Dividend Advantage 2, Arizona Dividend Advantage 3, Arizona Premium Income, Michigan Dividend Advantage, Michigan Premium Income, Michigan Quality Income, Ohio Dividend Advantage, Ohio Dividend Advantage 2, Ohio Dividend Advantage 3, Ohio Quality Income, and Texas Quality Income; August 31, 2004 for California Dividend Advantage, California Dividend Advantage 2, California Dividend Advantage 3, California Investment Quality, California Market Opportunity, California Municipal Value, California Performance Plus, California Premium Income, California Quality Income, California Select Quality, Insured California Dividend Advantage, Insured California Premium Income, Insured California Premium Income 2, and Insured California Tax-Free Advantage; September 30, 2004 for New York Dividend Advantage, New York Dividend Advantage 2, New York Investment Quality, New York Municipal Value, New York Performance Plus, New York Quality Income, New York Select Quality, Insured New York Dividend Advantage, Insured New York Premium Income, and Insured New York Tax-Free Advantage.

#### ANNUAL REPORT DELIVERY

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

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

20

#### GENERAL

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

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

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

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represented by proxy at the meeting.

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

Jessica R. Droeger  
Vice President and Secretary

June 21, 2005

21

APPENDIX A

NUMBER OF SHARES BENEFICIALLY OWNED

BY BOARD MEMBERS AND OFFICERS

FUND SHARES OWNED BY BOARD MEMBERS AND OFFICERS (1)

BOARD MEMBERS	ARIZONA DIVIDEND ADVANTAGE	ARIZONA DIVIDEND ADVANTAGE 2	ARIZONA DIVIDEND ADVANTAGE 3	ARIZONA PREMIUM INCOME	CALIFORNIA DIVIDEND ADVANTAGE
Robert P. Bremner.....	0	0	0	0	0
Lawrence H. Brown.....	0	0	0	0	0
Jack B. Evans.....	0	0	0	0	0
William C. Hunter.....	0	0	0	0	0
David J. Kundert.....	0	0	0	0	0
William J. Schneider.....	0	0	0	0	0
Timothy R. Schwertfeger.....	0	0	0	0	0
Judith M. Stockdale.....	0	0	0	0	0
Eugene S. Sunshine.....	0	0	0	0	0
ALL BOARD MEMBERS AND OFFICERS AS A GROUP.....	0	0	0	0	0

FUND SHARES OWNED BY BOARD MEMBERS AND OFFICERS (1)

BOARD MEMBERS	CALIFORNIA INVESTMENT QUALITY	CALIFORNIA MUNICIPAL MARKET OPPORTUNITY	CALIFORNIA MUNICIPAL VALUE	CALIFORNIA PERFORMANCE PLUS	CALIFORNIA PREMIUM INCOME
Robert P. Bremner.....	0	0	0	0	0

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Lawrence H. Brown.....	0	0	0	0	0
Jack B. Evans.....	0	0	0	0	0
William C. Hunter.....	0	0	0	0	0
David J. Kundert.....	0	0	0	0	0
William J. Schneider.....	0	0	0	0	0
Timothy R. Schwertfeger.....	0	0	0	0	0
Judith M. Stockdale.....	0	0	0	0	0
Eugene S. Sunshine.....	0	0	0	0	0
ALL BOARD MEMBERS AND OFFICERS AS A GROUP.....	0	0	0	0	0

(1) The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan for Independent Board Members. The information as to beneficial ownership is based on statements furnished by each Board Member and officer.

A-1

FUND SHARES OWNED BY BOARD MEMBERS AND OFFICERS (1)

BOARD MEMBERS	INSURED CALIFORNIA DIVIDEND ADVANTAGE	INSURED CALIFORNIA PREMIUM INCOME	INSURED CALIFORNIA PREMIUM INCOME 2	INSURED CALIFORNIA TAX-FREE ADVANTAGE	CONNECTICUT DIVIDEND ADVANTAGE
Robert P. Bremner.....	0	0	0	0	0
Lawrence H. Brown.....	0	0	0	0	0
Jack B. Evans.....	0	0	0	0	0
William C. Hunter.....	0	0	0	0	0
David J. Kundert.....	0	0	0	0	0
William J. Schneider.....	0	0	0	0	0
Timothy R. Schwertfeger.....	0	0	0	0	0
Judith M. Stockdale.....	0	0	0	0	0
Eugene S. Sunshine.....	0	0	0	0	0
ALL BOARD MEMBERS AND OFFICERS AS A GROUP.....	0	0	0	0	0

FUND SHARES OWNED BY BOARD MEMBERS AND OFFICERS (1)

BOARD MEMBERS	CONNECTICUT PREMIUM INCOME	FLORIDA INVESTMENT QUALITY	FLORIDA QUALITY INCOME	INSURED FLORIDA PREMIUM INCOME	INSURED FLORIDA TAX-FREE ADVANTAGE	G DI AD
Robert P. Bremner.....	0	0	0	0	0	
Lawrence H. Brown.....	0	0	0	0	0	
Jack B. Evans.....	0	0	0	0	0	
William C. Hunter.....	0	0	0	0	0	

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David J. Kundert.....	0	0	0	0	0
William J. Schneider.....	0	0	0	0	0
Timothy R. Schwertfeger.....	0	0	0	0	0
Judith M. Stockdale.....	0	0	0	0	0
Eugene S. Sunshine.....	0	0	0	0	0
ALL BOARD MEMBERS AND OFFICERS AS A GROUP.....	0	0	0	0	0

(1) The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan for Independent Board Members. The information as to beneficial ownership is based on statements furnished by each Board Member and officer.

A-2

FUND SHARES OWNED BY BOARD MEMBERS AND OFFICERS (1)

BOARD MEMBERS	GEORGIA PREMIUM INCOME	MASSACHUSETTS DIVIDEND ADVANTAGE	MASSACHUSETTS PREMIUM INCOME	INSURED MASSACHUSETTS TAX-FREE ADVANTAGE	MARYLAND DIVIDEND ADVANTAGE
Robert P. Bremner.....	0	0	0	0	0
Lawrence H. Brown.....	0	0	0	0	0
Jack B. Evans.....	0	0	0	0	0
William C. Hunter.....	0	0	0	0	0
David J. Kundert.....	0	0	0	0	0
William J. Schneider.....	0	0	0	0	0
Timothy R. Schwertfeger.....	0	0	0	0	0
Judith M. Stockdale.....	0	0	0	0	0
Eugene S. Sunshine.....	0	0	0	0	0
ALL BOARD MEMBERS AND OFFICERS AS A GROUP.....	0	0	0	0	0

FUND SHARES OWNED BY BOARD MEMBERS AND OFFICERS (1)

BOARD MEMBERS	MARYLAND PREMIUM INCOME	MICHIGAN DIVIDEND ADVANTAGE	MICHIGAN PREMIUM INCOME	MICHIGAN QUALITY INCOME	MISSOURI PREMIUM INCOME	NEBRASKA JERSEY DIVIDEND ADVANTAGE
Robert P. Bremner.....	0	0	0	0	0	0
Lawrence H. Brown.....	0	0	0	0	0	0
Jack B. Evans.....	0	0	0	0	0	0
William C. Hunter.....	0	0	0	0	0	0
David J. Kundert.....	0	0	0	0	0	0
William J. Schneider.....	0	0	0	0	0	0

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Timothy R. Schwertfeger.....	0	0	0	0	0
Judith M. Stockdale.....	0	0	0	0	0
Eugene S. Sunshine.....	0	0	0	0	0
ALL BOARD MEMBERS AND OFFICERS AS A GROUP.....	0	0	0	0	0

(1) The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan for Independent Board Members. The information as to beneficial ownership is based on statements furnished by each Board Member and officer.

A-3

FUND SHARES OWNED BY BOARD MEMBERS AND OFFICERS (1)

BOARD MEMBERS	NEW JERSEY INVESTMENT QUALITY	NEW JERSEY PREMIUM INCOME	NEW YORK DIVIDEND ADVANTAGE	NEW YORK DIVIDEND ADVANTAGE 2	NEW YORK INVESTMENT QUALITY
Robert P. Bremner.....	0	0	0	0	0
Lawrence H. Brown.....	0	0	0	0	0
Jack B. Evans.....	0	0	0	0	0
William C. Hunter.....	0	0	0	0	0
David J. Kundert.....	0	0	0	0	0
William J. Schneider.....	0	0	0	0	0
Timothy R. Schwertfeger.....	0	0	0	0	0
Judith M. Stockdale.....	0	0	0	0	0
Eugene S. Sunshine.....	0	0	0	0	0
ALL BOARD MEMBERS AND OFFICERS AS A GROUP.....	0	0	0	0	0

FUND SHARES OWNED BY BOARD MEMBERS AND OFFICERS (1)

BOARD MEMBERS	NEW YORK QUALITY INCOME	NEW YORK SELECT QUALITY	INSURED NEW YORK DIVIDEND ADVANTAGE	INSURED NEW YORK PREMIUM INCOME	INSURED NEW YORK TAX-FREE ADVANTAGE	NOR CAROL DIVID ADVAN
Robert P. Bremner.....	0	0	0	0	0	0
Lawrence H. Brown.....	0	0	0	0	0	0
Jack B. Evans.....	0	0	0	0	0	0
William C. Hunter.....	0	0	0	0	0	0
David J. Kundert.....	0	0	0	0	0	0
William J. Schneider.....	0	0	0	0	0	0
Timothy R. Schwertfeger.....	0	0	0	0	0	0
Judith M. Stockdale.....	0	0	0	0	0	0
Eugene S. Sunshine.....	0	0	0	0	0	0
ALL BOARD MEMBERS AND OFFICERS AS A GROUP.....	0	0	0	0	0	0

(1) The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan for Independent Board Members. The information as to beneficial ownership is based on statements furnished by each Board Member and officer.

A-4

FUND SHARES OWNED BY BOARD MEMBERS AND OFFICERS (1)

BOARD MEMBERS	NORTH CAROLINA DIVIDEND ADVANTAGE 3	NORTH CAROLINA PREMIUM INCOME	OHIO DIVIDEND ADVANTAGE	OHIO DIVIDEND ADVANTAGE 2	OHIO DIVIDEND ADVANTAGE 3
Robert P. Bremner.....	0	0	0	0	0
Lawrence H. Brown.....	0	0	0	0	0
Jack B. Evans.....	0	0	0	0	0
William C. Hunter.....	0	0	0	0	0
David J. Kundert.....	0	0	0	0	0
William J. Schneider.....	0	0	0	0	0
Timothy R. Schwertfeger.....	0	0	0	0	0
Judith M. Stockdale.....	0	0	0	0	0
Eugene S. Sunshine.....	0	0	0	0	0
ALL BOARD MEMBERS AND OFFICERS AS A GROUP.....	0	0	0	0	0

FUND SHARES OWNED BY BOARD MEMBERS AND OFFICERS (1)

BOARD MEMBERS	PENNSYLVANIA DIVIDEND ADVANTAGE 2	PENNSYLVANIA INVESTMENT QUALITY	PENNSYLVANIA PREMIUM INCOME 2	TEXAS QUALITY INCOME	VIRGINIA PREMIUM INCOME
Robert P. Bremner.....	0	0	0	0	0
Lawrence H. Brown.....	0	0	0	0	0
Jack B. Evans.....	0	0	0	0	0
William C. Hunter.....	0	0	0	0	0
David J. Kundert.....	0	0	0	0	0
William J. Schneider.....	0	0	0	0	0
Timothy R. Schwertfeger.....	0	0	0	0	0
Judith M. Stockdale.....	0	0	0	0	0
Eugene S. Sunshine.....	0	0	0	0	0
ALL BOARD MEMBERS AND OFFICERS AS A GROUP.....	0	0	0	0	0

(1) The numbers include share equivalents of certain Nuveen funds in which the Board Member is deemed to be invested pursuant to the Deferred Compensation Plan for Independent Board Members. The information as to beneficial ownership is based on statements furnished by each Board Member and officer.

A-5

APPENDIX B

DATES RELATING TO ORIGINAL  
INVESTMENT MANAGEMENT AGREEMENTS (1)

FUND	DATE OF ORIGINAL INVESTMENT MANAGEMENT AGREEMENT	DATE ORIGINAL INVESTMENT MANAGEMENT AGREEMENT WAS LAST APPROVED BY SHAREHOLDERS	DATE ORIGINAL INVESTMENT MANAGEMENT AGREEMENT WAS LAST APPROVED FOR CONTINUANCE BY BOARD
Arizona Dividend Advantage	December 14, 2000	January 30, 2001	May 11, 2005
Arizona Dividend Advantage 2	February 20, 2002	March 25, 2002	May 11, 2005
Arizona Dividend Advantage 3	July 30, 2002	September 24, 2002	May 11, 2005
Arizona Premium Income	November 16, 1992	July 28, 1993	May 11, 2005
California Dividend Advantage	May 22, 1999	May 25, 1999	May 11, 2005
California Dividend Advantage 2	February 20, 2001	March 27, 2001	May 11, 2005
California Dividend Advantage 3	August 2, 2001	September 25, 2001	May 11, 2005
California Investment Quality	July 28, 1993	July 28, 1993	May 11, 2005
California Municipal Market Opportunity	July 28, 1993	July 28, 1993	May 11, 2005
California Municipal Value	September 21, 1987	July 28, 1993	May 11, 2005
California Performance Plus	July 28, 1993	July 28, 1993	May 11, 2005
California Premium Income	June 9, 1993	June 9, 1993	May 11, 2005
California Quality Income	November 13, 1991	July 28, 1993	May 11, 2005
California Select Quality	May 15, 1991	July 28, 1993	May 11, 2005
Insured California Dividend Advantage	February 20, 2002	March 25, 2002	May 11, 2005
Insured California Premium Income	November 16, 2002	July 28, 1993	May 11, 2005
Insured California Premium Income 2	March 15, 1993	July 28, 1993	May 11, 2005
Insured California Tax-Free Advantage	November 14, 2002	November 19, 2002	May 11, 2005
Connecticut Dividend Advantage	December 14, 2000	January 23, 2001	May 11, 2005
Connecticut Dividend Advantage 2	February 20, 2002	March 25, 2002	May 11, 2005

B-1



FUND	DATE OF ORIGINAL INVESTMENT MANAGEMENT AGREEMENT	DATE ORIGINAL INVESTMENT MANAGEMENT AGREEMENT WAS LAST APPROVED BY SHAREHOLDERS	DATE ORIGINAL INVESTMENT MANAGEMENT AGREEMENT WAS LAST APPROVED FOR CONTINUANCE BY BOARD
Connecticut Dividend Advantage 3	July 30, 2002	September 24, 2002	May 11, 2005
Connecticut Premium Income	May 10, 1993	May 10, 1993	May 11, 2005
Florida Investment Quality	July 28, 1993	July 28, 1993	May 11, 2005
Florida Quality Income	October 7, 1991	July 28, 1993	May 11, 2005
Insured Florida Premium Income	December 10, 1992	July 28, 1993	May 11, 2005
Insured Florida Tax-Free Advantage	November 14, 2002	November 19, 2002	May 11, 2005
Georgia Dividend Advantage	August 2, 2001	September 25, 2001	May 11, 2005
Georgia Dividend Advantage 2	July 30, 2002	September 24, 2002	May 11, 2005
Georgia Premium Income	May 10, 1993	May 10, 1993	May 11, 2005
Massachusetts Dividend Advantage	December 14, 2000	January 30, 2001	May 11, 2005
Massachusetts Premium Income	March 15, 1993	July 28, 1993	May 11, 2005
Insured Massachusetts Tax-Free Advantage	November 14, 2002	November 19, 2002	May 11, 2005
Maryland Dividend Advantage	December 14, 2000	January 23, 2001	May 11, 2005
Maryland Dividend Advantage 2	August 2, 2001	September 25, 2001	May 11, 2005
Maryland Dividend Advantage 3	July 30, 2002	September 24, 2002	May 11, 2005
Maryland Premium Income	July 31, 2004	July 28, 1993	May 11, 2005
Michigan Dividend Advantage	August 2, 2001	September 25, 2001	May 11, 2005
Michigan Premium Income	December 10, 1992	July 28, 1993	May 11, 2005
Michigan Quality Income	October 7, 1991	July 28, 1993	May 11, 2005
Missouri Premium Income	May 10, 1993	May 10, 1993	May 11, 2005
New Jersey Dividend Advantage	February 20, 2001	March 27, 2001	May 11, 2005
New Jersey Dividend Advantage 2	February 20, 2002	March 25, 2002	May 11, 2005
New Jersey Investment Quality	July 28, 1993	July 28, 1993	May 11, 2005
New Jersey Premium Income	December 10, 1992	July 28, 1993	May 11, 2005

FUND	DATE OF ORIGINAL INVESTMENT MANAGEMENT AGREEMENT	DATE ORIGINAL INVESTMENT MANAGEMENT AGREEMENT WAS LAST APPROVED BY SHAREHOLDERS	DATE ORIGINAL INVESTMENT MANAGEMENT AGREEMENT WAS LAST APPROVED FOR CONTINUANCE BY BOARD
New York Dividend Advantage	May 25, 1999	May 25, 1999	May 11, 2005
New York Dividend Advantage 2	February 20, 2001	March 27, 2001	May 11, 2005
New York Investment Quality	July 28, 1993	July 28, 1993	May 11, 2005
New York Municipal Value	May 1, 1989	July 28, 1993	May 11, 2005
New York Performance Plus	July 28, 1993	July 28, 1993	May 11, 2005
New York Quality Income	November 13, 1991	July 28, 1993	May 11, 2005
New York Select Quality	May 15, 1991	July 28, 1993	May 11, 2005
Insured New York Dividend Advantage	February 20, 2002	March 25, 2002	May 11, 2005
Insured New York Premium Income	December 10, 1992	July 28, 1993	May 11, 2005
Insured New York Tax-Free Advantage	November 14, 2002	November 19, 2002	May 11, 2005
North Carolina Dividend Advantage	December 14, 2000	January 23, 2001	May 11, 2005
North Carolina Dividend Advantage 2	October 3, 2001	November 15, 2001	May 11, 2005
North Carolina Dividend Advantage 3	July 30, 2002	September 24, 2002	May 11, 2005
North Carolina Premium Income	May 10, 1993	May 10, 1993	May 11, 2005
Ohio Dividend Advantage	February 20, 2001	March 27, 2001	May 11, 2005
Ohio Dividend Advantage 2	August 2, 2001	September 25, 2001	May 11, 2005
Ohio Dividend Advantage 3	February 20, 2002	March 26, 2002	May 11, 2005
Ohio Quality Income	October 7, 1991	July 28, 1993	May 11, 2005
Pennsylvania Dividend Advantage	February 20, 2001	March 27, 2001	May 11, 2005
Pennsylvania Dividend Advantage 2	February 20, 2002	March 25, 2002	May 11, 2005
Pennsylvania Investment Quality	July 28, 1993	July 28, 1993	May 11, 2005
Pennsylvania Premium Income 2	March 15, 1993	July 28, 1993	May 11, 2005
Texas Quality Income	October 7, 1991	July 28, 1993	May 11, 2005

FUND	DATE OF ORIGINAL INVESTMENT MANAGEMENT AGREEMENT	DATE ORIGINAL INVESTMENT MANAGEMENT AGREEMENT WAS LAST APPROVED BY SHAREHOLDERS	DATE ORIGINAL INVESTMENT MANAGEMENT AGREEMENT WAS LAST APPROVED FOR CONTINUANCE BY BOARD
Virginia Premium Income	March 15, 1993	July 28, 1993	May 11, 2005
Virginia Dividend Advantage	December 14, 2000	January 23, 2001	May 11, 2005
Virginia Dividend Advantage 2	October 3, 2001	November 15, 2001	May 11, 2005

(1) The Original Investment Management Agreements were between the Funds and Nuveen Advisory Corp. ("NAC"). Effective January 1, 2005, NAC was merged into NAM. As a result, NAC became a part of NAM and ceased to exist separately. NAM assumed all of NAC obligations under the Original Investment Management Agreements. Like NAC, NAM is a wholly owned subsidiary of Nuveen. The merger did not constitute a change in control. There was no change in who manages the Funds or in the Funds' investment objectives or policies as a result of the merger.

B-4

APPENDIX C

FORM OF INVESTMENT MANAGEMENT AGREEMENT

AGREEMENT made this [31st] day of [July, 2005], by and between