

Nuveen Floating Rate Income Opportunity Fund
Form DEF 14A
August 27, 2007

**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 1934 (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 §240.14a-11(c) or §240.14a-12

Nuveen Floating Rate Income Opportunity Fund (JRO)

(Name of Registrant as Specified In Its Charter)

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

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- No fee required.
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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

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**Important Notice
to Fund Shareholders**

August 27, 2007

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. You are being asked to vote on two or more important matters affecting your Fund:

- (1) Approval of a New Investment Management Agreement. Nuveen Asset Management (NAM) serves as your Fund's investment adviser. Nuveen Investments, Inc. (Nuveen), the parent company of NAM, recently announced its intention to be acquired by investors led by Madison Dearborn Partners, LLC, and to thereby become a privately-held company. In the event this takes place, securities laws require your Fund's shareholders to approve a new investment management agreement between NAM and the Fund;
- (2) Approval of a New Investment Sub-Advisory Agreement. For certain Funds, NAM has retained one or more sub-advisers to manage all or a portion of such funds' assets. In the event the transaction described in (1) above takes place, securities laws require shareholders of those funds to approve a new sub-advisory agreement between NAM and each sub-adviser;
- (3) Approval of an Additional Sub-Advisory Agreement for each Fund sub-advised by Gateway. For those Funds where Gateway Investment Advisers, L.P. (Gateway) serves as a sub-adviser, securities laws require shareholders of those funds to approve an additional new sub-advisory agreement between NAM and Gateway in the event Gateway's anticipated acquisition by Natixis Global Asset Management, L.P. takes place as described in the enclosed proxy statement.
- (4) Approval of Fund Board Nominees. Each year, you and other Fund shareholders must approve the election of Board members to serve on your Fund's Board. This is a requirement for all funds that list their common shares on a stock exchange. Certain of the Funds described in this proxy statement are holding their annual shareholders meeting at which Board members will be elected. The list of specific nominees for those Funds is contained in the enclosed proxy statement; and
- (5) Ratification of Independent Registered Public Accounting Firm. This year, you and other Fund shareholders are being asked to ratify the selection of the independent registered public accounting firm. Ernst and Young LLP or PricewaterhouseCoopers LLP, as applicable, has been selected to serve as your Fund's independent registered public accounting firm.

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

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

Q. How will I as a Fund shareholder be affected if Nuveen becomes a privately-held company?

A. Your Fund investment will not change as a result of NAM's change of ownership. You will still own the same Fund shares and the underlying value of those shares will not change as a result of the transaction. NAM will continue to manage your Fund according to the same objectives and policies as before, and does not anticipate any significant changes to its operations.

Q. Will there be any important differences between my Fund's new investment management agreement and sub-advisory agreement, as applicable, and the current agreements?

A. No. The terms of the new and current agreements are substantially identical. There will be no change in the fees you pay, who manages your Fund, your Fund's objectives and policies, or your Fund's day-to-day management.

Q. What will happen if shareholders do not approve the new investment management agreement or sub-advisory agreement?

A. NAM and your Fund's sub-adviser(s), as applicable, will continue to manage your Fund under an interim investment management agreement and an interim sub-advisory agreement, but must place their compensation for their services during this interim period in escrow, pending shareholder approval. For the Funds where Gateway serves as a sub-adviser, if shareholders do not approve the additional new sub-advisory agreement with Gateway, 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. **Your Fund's Board urges you to vote without delay in order to avoid potential disruption to the Fund's operations.**

Q. Who do I call if I have questions?

A. If you need any assistance, or have any questions regarding the proposals or how to vote your shares, please call Computershare Fund Services, your Fund proxy solicitor, at 866-434-7510 with your proxy material.

Q. How do I vote my shares?

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

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

**Notice of Annual Meeting
of Shareholders**

August 27, 2007

**Nuveen Floating Rate Income Fund (JFR)
Nuveen Floating Rate Income Opportunity Fund (JRO)
Nuveen Tax-Advantaged Floating Rate Fund (JFP)
Nuveen Senior Income Fund (NSL)**

**Notice of Special Meeting
of Shareholders**

**Nuveen Real Estate Income Fund (JRS)
Nuveen Diversified Dividend and Income Fund (JDD)
Nuveen Equity Premium and Growth Fund (JPG)
Nuveen Equity Premium Advantage Fund (JLA)
Nuveen Equity Premium Income Fund (JPZ)
Nuveen Equity Premium Opportunity Fund (JSN)
Nuveen Quality Preferred Income Fund (JTP)
Nuveen Quality Preferred Income Fund 2 (JPS)
Nuveen Quality Preferred Income Fund 3 (JHP)
Nuveen Tax-Advantaged Total Return Strategy Fund (JTA)
Nuveen Global Government Enhanced Income Fund (JGG)
Nuveen Global Value Opportunities Fund (JGV)
Nuveen Multi-Strategy Income and Growth Fund (JPC)
Nuveen Multi-Strategy Income and Growth Fund 2 (JQC)
Nuveen Core Equity Alpha Fund (JCE)
Nuveen Multi-Currency Short-Term Government Income Fund (JGT)
Nuveen Tax-Advantaged Dividend Growth Fund (JTD)**

To the Shareholders of the Above Funds:

Notice is hereby given that an Annual Meeting of Shareholders (the Annual Meeting) of Nuveen Floating Rate Income Fund (Floating Rate), Nuveen Floating Rate Income Opportunity Fund (Floating Rate Income Opportunity), Nuveen Tax-Advantaged Floating Rate Fund (Tax-Advantaged Floating Rate) and Nuveen Senior Income Fund (Senior Income) and notice is hereby given that a Special Meeting of Shareholders (the Special Meeting, collectively with the Annual Meeting, the Meeting) of Nuveen Real Estate Income Fund (Real Estate), Nuveen Diversified Dividend and Income Fund (Diversified Dividend), Nuveen Equity Premium and Growth Fund (Equity Premium), Nuveen Equity Premium Advantage Fund (Equity Premium Advantage), Nuveen Equity Premium Income Fund (Equity Premium Income), Nuveen Equity Premium Opportunity Fund (Equity Premium Opportunity), Nuveen Quality Preferred Income Fund (Quality Preferred), Nuveen Quality Preferred Income Fund 2 (Quality Preferred 2), Nuveen Quality Preferred Income Fund 3 (Quality Preferred 3), Nuveen Tax-Advantaged Total Return Strategy Fund (Total Return), Nuveen Global Government Enhanced Income Fund (Global Government), Nuveen Global Value Opportunities Fund (Global Value), Nuveen Multi-Strategy Income and Growth Fund (Multi-Strategy Income),

Fund (Core Equity Alpha), Nuveen Multi-Currency Short-Term Government Income Fund (Multi-Currency Short-Term) and Nuveen Tax-Advantaged Dividend Growth Fund (Tax-Advantaged Dividend Growth), each a Massachusetts business trust (individually, a Fund and collectively, the Funds), will be held (along with meetings of shareholders of several other Nuveen funds) in the 31st floor conference room of Nuveen Investments, 333 West Wacker Drive, Chicago, Illinois 60606, on Friday, October 12, 2007, at 10:00 a.m., Central 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 approve a new sub-advisory agreement between NAM and each sub-adviser as outlined below:
 - a. (For shareholders of Equity Premium, Equity Premium Advantage, Equity Premium Income and Equity Premium Opportunity only) to approve a new sub-advisory agreement between NAM and Gateway Investment Advisers, L.P.;
 - b. (For shareholders of Core Equity Alpha only) to approve a new sub-advisory agreement between NAM and Enhanced Investment Technologies, LLC;
 - c. (For shareholders of Diversified Dividend, Total Return and Tax-Advantaged Dividend Growth only) to approve a new sub-advisory agreement between NAM and NWQ Investment Management Company, LLC;
 - d. (For shareholders of Tax-Advantaged Dividend Growth only) to approve a new sub-advisory agreement between NAM and Santa Barbara Asset Management, LLC;
 - e. (For shareholders of Real Estate and Diversified Dividend only) to approve a new sub-advisory agreement between NAM and Security Capital Research & Management Incorporated;
 - f. (For shareholders of Tax-Advantaged Floating Rate, Quality Preferred, Quality Preferred 2, Quality Preferred 3, Multi-Strategy Income and Multi-Strategy Income 2 only) to approve a new sub-advisory agreement between NAM and Spectrum Asset Management, Inc.;
 - g. (For shareholders of Floating Rate, Floating Rate Income Opportunity, Senior Income, Diversified Dividend, Total Return, Multi-Strategy Income and Multi-Strategy Income 2
-

- only) to approve a new sub-advisory agreement between NAM and Symphony Asset Management LLC;
- h. (For shareholders of Global Value, Multi-Strategy Income and Multi-Strategy Income 2 only) to approve a new sub-advisory agreement between NAM and Tradewinds Global Investors, LLC; and
 - i. (For shareholders of Diversified Dividend only) to approve a new sub-advisory agreement between NAM and Wellington Management Company, LLP.
3. For shareholders of Equity Premium, Equity Premium Advantage, Equity Premium Income and Equity Premium Opportunity only, to approve a new sub-advisory agreement between NAM and Gateway Investment Advisers, LLC.
 4. To elect four (4) members to the Board of Trustees (each a Board and each Trustee a Board Member) of Floating Rate, Floating Rate Income Opportunity, Tax-Advantaged Floating Rate and Senior Income as outlined below:
 - a. two (2) Board Members to be elected for a three-year term by the holders of Common Shares and Taxable Auctioned Preferred Shares for Senior Income and Fund Preferred Shares for Floating Rate, Floating Rate Income Opportunity and Tax-Advantaged Floating Rate (collectively, Preferred Shares), voting together as a single class; and
 - b. two (2) Board Members to be elected for a one-year term by the holders of Preferred Shares only, voting separately as a single class.
 5. To ratify the selection of independent registered public accounting firm for the current fiscal year as outlined below:
 - a. For all Funds, except Equity Premium, Equity Premium Advantage, Equity Premium Income, Equity Premium Opportunity, Core Equity Alpha, Global Government, Global Value, and Multi-Currency Short-Term, to ratify the selection of Ernst & Young LLP as independent registered public accounting firm for the current fiscal year; and
 - b. For Equity Premium, Equity Premium Advantage, Equity Premium Income, Equity Premium Opportunity, Core Equity Alpha, Global Government, Global Value and Multi-Currency Short-Term, to ratify the selection of PricewaterhouseCoopers LLP as independent registered public accounting firm for the current fiscal year.
 6. To transact such other business as may properly come before the Meeting.

Shareholders of record at the close of business on August 1, 2007 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.

Kevin J. McCarthy
Vice President and Secretary

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

Joint Proxy Statement

August 27, 2007

This Joint Proxy Statement is first being mailed to shareholders on or about August 27, 2007.

Nuveen Floating Rate Income Fund (JFR)
Nuveen Floating Rate Income Opportunity Fund (JRO)
Nuveen Tax-Advantaged Floating Rate Fund (JFP)
Nuveen Senior Income Fund (NSL)
Nuveen Real Estate Income Fund (JRS)
Nuveen Diversified Dividend and Income Fund (JDD)
Nuveen Equity Premium and Growth Fund (JPG)
Nuveen Equity Premium Advantage Fund (JLA)
Nuveen Equity Premium Income Fund (JPZ)
Nuveen Equity Premium Opportunity Fund (JSN)
Nuveen Quality Preferred Income Fund (JTP)
Nuveen Quality Preferred Income Fund 2 (JPS)
Nuveen Quality Preferred Income Fund 3 (JHP)
Nuveen Tax-Advantaged Total Return Strategy Fund (JTA)
Nuveen Global Government Enhanced Income Fund (JGG)
Nuveen Global Value Opportunities Fund (JGV)
Nuveen Multi-Strategy Income and Growth Fund (JPC)
Nuveen Multi-Strategy Income and Growth Fund 2 (JQC)
Nuveen Core Equity Alpha Fund (JCE)
Nuveen Multi-Currency Short-Term Government Income Fund (JGT)
Nuveen Tax-Advantaged Dividend Growth Fund (JTD)

General Information

This Joint Proxy Statement is furnished in connection with the solicitation by the Board of Trustees (each a **Board** and collectively, the **Boards**, and each Trustee a **Board Member** and collectively, the **Board Members**) of Nuveen Floating Rate Income Fund (**Floating Rate**), Nuveen Floating Rate Income Opportunity Fund (**Floating Rate Income Opportunity**), Nuveen Tax-Advantaged Floating Rate Fund (**Tax-Advantaged Floating Rate**), Nuveen Senior Income Fund (**Senior Income**), Nuveen Real Estate Income Fund (**Real Estate**), Nuveen Diversified Dividend and Income Fund (**Diversified Dividend**), Nuveen Equity Premium and Growth Fund (**Equity Premium**), Nuveen Equity Premium Advantage Fund (**Equity Premium Advantage**), Nuveen Equity Premium Income Fund (**Equity Premium Income**), Nuveen Equity Premium Opportunity Fund (**Equity Premium Opportunity**), Nuveen Quality Preferred Income Fund (**Quality Preferred**), Nuveen Quality Preferred Income Fund 2 (**Quality Preferred 2**), Nuveen Quality Preferred Income Fund 3 (**Quality Preferred 3**), Nuveen Tax-Advantaged Total Return Strategy Fund (**Total Return**), Nuveen Global Government Enhanced Income Fund (**Global Government**), Nuveen Global Value Opportunities Fund (**Global Value**), Nuveen Multi-Strategy Income and Growth Fund (**Multi-Strategy Income**), Nuveen Multi-Strategy Income and Growth Fund 2 (**Multi-Strategy Income 2**), Nuveen Core Equity Alpha Fund (**Core Equity Alpha**), Nuveen Multi-Currency Short-Term Government Income Fund (**Multi-Currency Short-Term**) and Nuveen Tax-Advantaged

Dividend Growth Fund (Tax-Advantaged Dividend

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Growth), each a Massachusetts business trust (each a Fund and collectively, the Funds), of proxies to be voted at an Annual Meeting of Shareholders for Floating Rate, Floating Rate Income Opportunity, Tax-Advantaged Floating Rate and Senior Income or a Special Meeting of Shareholders for all other Funds to be held (along with meetings of shareholders of several other Nuveen funds) in the 31st floor conference room of Nuveen Investments, 333 West Wacker Drive, Chicago, Illinois 60606, on Friday, October 12, 2007, at 10:00 a.m., Central 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 properly executed proxy is returned and no choice is specified, the shares will be voted **FOR** approval of the new investment management agreement, **FOR** approval of the new sub-advisory agreement, **FOR** the election of the nominees as listed in this Joint Proxy Statement and **FOR** the ratification of the selection of the independent registered public accounting firm. 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. Merely attending the Meeting, however, will not revoke any previously submitted proxy.

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),(2)}
1. To approve a new investment management agreement between Nuveen Asset Management (NAM or the Adviser) and the Fund	X	X
2. To approve a new sub-advisory agreement between NAM and each sub-adviser below:		
2a. For shareholders of Equity Premium ⁽²⁾ , Equity Premium Advantage ⁽²⁾ , Equity Premium Income ⁽²⁾ and Equity Premium Opportunity ⁽²⁾ only to approve a new sub-advisory agreement between NAM and Gateway Investment Advisers, L.P. (Gateway);	X	
2b. For shareholders of Core Equity Alpha ⁽²⁾ only to approve a new sub-advisory agreement between NAM and Enhanced Investment Technologies, LLC (INTECH);	X	
2c. For shareholders of Diversified Dividend, Total Return and Tax-Advantaged Dividend Growth ⁽²⁾ only to approve a new sub-advisory agreement between NAM and NWQ Investment Management Company, LLC (NWQ);	X	X
2d. For shareholders of Tax-Advantaged Dividend Growth ⁽²⁾ only to approve a new sub-advisory agreement between NAM and Santa Barbara Asset Management, LLC (SBAM);	X	
2e. For shareholders of Real Estate and Diversified Dividend only to approve a new sub-advisory agreement between NAM and Security Capital Research & Management Incorporated (Security Capital);	X	X
2f. For shareholders of Tax-Advantaged Floating Rate, Quality Preferred, Quality Preferred 2, Quality Preferred 3, Multi-Strategy Income and Multi-Strategy Income 2 only to approve a new sub-advisory agreement between NAM and Spectrum Asset Management, Inc. (Spectrum);	X	X

2g.	For shareholders of Floating Rate, Floating Rate Income Opportunity, Senior Income, Diversified Dividend, Total Return, Multi-Strategy Income and Multi-Strategy Income 2 only to approve a new sub-advisory agreement between NAM and Symphony Asset Management LLC (Symphony);	X	X
2h.	For shareholders of Global Value ⁽²⁾ , Multi-Strategy Income and Multi-Strategy Income 2 only to approve a new sub-advisory agreement between NAM and Tradewinds Global Investors, LLC (Tradewinds); and	X	X

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Matter	Common Shares	Preferred Shares ^{(1),(2)}
2i. For shareholders of Diversified Dividend only to approve a new sub-advisory agreement between NAM and Wellington Management Company, LLP (Wellington)	X	X
3. For shareholders of Equity Premium ⁽²⁾ , Equity Premium Advantage ⁽²⁾ , Equity Premium Income ⁽²⁾ and Equity Premium Opportunity ⁽²⁾ only, to approve a new sub-advisory agreement between NAM and Gateway Investment Advisers, LLC (New Gateway)	X	
4a. For Floating Rate, Floating Rate Income Opportunity, Tax-Advantaged Floating Rate and Senior Income, election of two (2) Board Members for a three-year term by all shareholders	X	X
4b. For Floating Rate, Floating Rate Income Opportunity, Tax-Advantaged Floating Rate and Senior Income, election of two (2) Board Members for a one-year term by Preferred Shares only		X
5. To ratify the selection of independent registered public accounting firm	X	X

(1) Taxable Auctioned Preferred Shares for Senior Income and Fund Preferred shares for Floating Rate, Floating Rate Income Opportunity, Tax-Advantaged Floating Rate, Real Estate, Diversified Dividend, Quality Preferred, Quality Preferred 2, Quality Preferred 3, Total Return, Multi-Strategy Income and Multi-Strategy Income 2 are referred to as Preferred Shares.

(2) Equity Premium, Equity Premium Advantage, Equity Premium Income, Equity Premium Opportunity, Global Government, Global Value, Core Equity Alpha, Multi-Currency Short-Term and Tax-Advantaged Dividend Growth have not issued 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, except that for the election of the two Board Member nominees to be elected by holders of Preferred Shares of each Fund, 33 1/3% of the Preferred Shares entitled to vote and represented in person or by proxy will constitute a quorum. 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

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(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 any new investment management agreement, sub-advisory agreement and ratification of the selection of the independent registered public accounting firm, abstentions and broker non-votes will have the same effect as shares voted against the proposal. For purposes of determining the approval of the proposal to elect nominees, abstentions and broker non-votes will have no effect on the election of Board

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

Those persons who were shareholders of record at the close of business on August 1, 2007 (the Record Date), will be entitled to one vote for each share held and a proportionate fractional vote for each fractional share held. As of the Record Date, the shares of the Funds were issued and outstanding as follows:

Fund	Ticker Symbol*	Common Shares	Preferred Shares	
Floating Rate	JFR	47,395,206	Series M	4,000
			Series T	4,000
			Series W	4,000
			Series F	4,000
Floating Rate Income Opportunity	JRO	28,419,321	Series M	3,200
			Series TH	3,200
			Series F	3,200
Tax-Advantaged Floating Rate	JFP	13,857,647	Series TH	3,120
Senior Income	NSL	29,834,352	Series TH	3,120
Real Estate	JRS	28,259,132	Series M	1,720
			Series T	1,720
			Series W	1,720
			Series F	1,720
Diversified Dividend	JDD	16,536,342	Series T	2,400
			Series W	2,400

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Equity Premium	JPG	20,202,819	N/A
Equity Premium Advantage	JLA	26,114,540	N/A
Equity Premium Income	JPZ	38,682,086	N/A
Equity Premium Opportunity	JSN	66,537,837	N/A

Fund	Ticker Symbol*	Common Shares	Preferred Shares	
Quality Preferred	JTP	64,557,648	Series M	3,520
			Series T	3,520
			Series W	3,520
			Series TH	3,520
			Series F	3,520
Quality Preferred 2	JPS	119,845,698	Series M	4,800
			Series T	4,800
			Series T2	4,000
			Series W	4,800
			Series TH	4,800
			Series TH2	4,000
			Series F	4,800
Quality Preferred 3	JHP	23,686,571	Series M	3,320
			Series TH	3,320
Total Return	JTA	13,958,267	Series W	1,800
Global Government	JGG	9,330,610	N/A	
Global Value	JGV	19,355,240	N/A	
Multi-Strategy Income	JPC	99,714,627	Series M	4,720
			Series T	4,720
			Series W	4,720
			Series TH	4,720
			Series F	4,720
			Series F2	4,720
Multi-Strategy Income 2	JQC	140,495,800	Series M	3,860
			Series M2	3,860
			Series T	3,860
			Series T2	3,860
			Series W	3,860
			Series W2	3,860
			Series TH	3,860

Series TH2	3,860
Series F	3,860
Series F2	3,860

Core Equity Alpha	JCE	16,471,485	N/A
Multi-Currency Short-Term	JGT	44,467,792	N/A
Tax-Advantaged Dividend Growth	JTD	14,225,240	N/A

* The common shares of all of the Funds are listed on the New York Stock Exchange, except the common shares of JRS, which are listed on the American Stock Exchange.

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

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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 are provided in Appendix B. NAM is a wholly-owned subsidiary of Nuveen Investments, Inc. (Nuveen). Nuveen is currently a publicly traded company.

On June 19, 2007, Nuveen entered into a merger agreement (the Transaction Agreement) providing for the acquisition of Nuveen by Windy City Investments, Inc. (Windy City), a corporation formed by investors led by Madison Dearborn Partners, LLC (MDP), a private equity investment firm based in Chicago, Illinois (the Transaction). Windy City is controlled by MDP on behalf of the Madison Dearborn Capital Partner V funds. Other owners of Windy City include Merrill Lynch & Co.'s Global Private Equity group and affiliates (including private equity funds) of Wachovia, Citigroup and Deutsche Bank. If the Transaction is completed, Nuveen will become a wholly-owned subsidiary of Windy City and Nuveen will become a privately-held company. Completion of the Transaction is subject to a number of conditions, including obtaining approval of Nuveen's stockholders and obtaining consent to the Transaction by a certain percentage of NAM's clients representing at least 80% of annualized revenue (which includes fund shareholder approval of new investment management agreements with NAM). Nuveen and Windy City currently expect to complete the Transaction in the fourth quarter of 2007.

Upon completion of the Transaction, it is anticipated that Merrill Lynch will be an indirect affiliated person (as that term is defined in the Investment Company Act of 1940, as amended (the 1940 Act)) of each Fund. As a result, each Fund would then generally be prohibited from entering into principal transactions with Merrill Lynch and certain of its affiliates. NAM does not believe that any such prohibition or limitation would have a materially adverse effect on any Fund's ability to pursue its investment objective and policies.

Nuveen is relying on Section 15(f) of the 1940 Act. Section 15(f) provides in substance that when a sale of a controlling interest in an investment adviser occurs, the investment adviser or any of its affiliated persons may receive any amount or benefit in connection with the sale so long as two conditions are satisfied. The first condition of Section 15(f) is that, during the three-year period following the consummation of a transaction, at least 75% of the investment company's board of directors must not be interested persons (as defined in the 1940 Act) of the investment adviser or predecessor adviser. Each of the Funds currently meets this test. Second, an unfair burden (as defined in the 1940 Act, including any interpretations or no-action letters of the Securities and Exchange Commission (the SEC)) must not be imposed on the investment company as a result of the transaction relating to the sale of such interest, or any express or implied terms, conditions or understandings applicable thereto. The term unfair burden (as defined in the 1940 Act) includes any arrangement, during the two-year period after the transaction, whereby the investment adviser (or predecessor or successor adviser), or any interested person (as defined in the 1940 Act) of such an adviser, receives or is entitled to receive any compensation directly or indirectly, from the investment company or its security holders (other than fees for bona fide investment advisory or other services) or from any person in connection with the purchase or sale of securities or other property to, from or on behalf of the investment company (other than bona fide ordinary compensation as principal underwriter for the investment company). Under the Transaction Agreement, Windy City acknowledges Nuveen's reliance on Section 15(f) of the 1940 Act and has agreed that it and its affiliates (as

defined in the Transaction Agreement) shall conduct its business and use commercially reasonable efforts to enable the provisions of Section 15(f) to be true in relation to the Funds.

In addition, to help ensure that an unfair burden is not imposed on the Funds, Nuveen has committed for a period of two years from the date of the closing of the Transaction (i) not to increase gross management fees for any Fund; (ii) not to reduce voluntary expense reimbursement levels for any Fund from their currently scheduled prospective levels during that period; (iii) that no Fund whose portfolio is managed by a Nuveen affiliate shall use Merrill Lynch as a broker with respect to portfolio transactions done on an agency basis, except as may be approved in the future by the Compliance Committee of the Board; and (iv) that each adviser/portfolio team affiliated with Nuveen shall not cause the Funds (or sleeves thereof) and other Nuveen funds that the team manages, as a whole, to enter into portfolio transactions with or through the other minority owners of Nuveen, on either a principal or an agency basis, to a significantly greater extent than both what one would expect an investment team to use such firm in the normal course of business, and what such team has historically done, without prior Board or Compliance Committee approval (excluding the impact of proportionally increasing the use of such other minority owners to fill the void necessitated by not being able to use Merrill Lynch).

Each Original Investment Management Agreement, as required by Section 15 of 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 Transaction will result in 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 Transaction, each Fund's Board met in person at a joint meeting on July 31, 2007 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 in substantially the same form as the Original Investment Management Agreement to take effect immediately after the Transaction or shareholder approval, whichever is later (each a New Investment Management Agreement and collectively, the New Investment Management Agreements). The form of the New Investment Management Agreement is attached hereto as Appendix C.

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 July 31, 2007 Board meeting, and for the reasons discussed below (see Board Considerations after proposal 2), each Board, including the Board Members who are not parties to the Original Investment Management Agreements, New Investment Management Agreements or any sub-advisory agreement 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 Transaction. In the event shareholders of a Fund do not approve the New Investment Management Agreement at the Meeting or any adjournment thereof prior to the closing of the Transaction, an interim investment management agreement between the Adviser and each such Fund (each, an Interim Investment Management Agreement and collectively, the Interim Investment Management Agreements) will take effect upon the closing of the Transaction.

At the July 31, 2007 meeting, each Board, including the Independent Board Members, also unanimously approved the Interim Investment Management Agreements in order to assure continuity of investment advisory services to the Funds after the Transaction. The terms of each Interim Investment Management Agreement are substantially identical to those of the Original Investment Management Agreements and New Investment Management Agreements, except for the term and escrow provisions described below. If a Fund's shareholders have not approved a New Investment Management Agreement prior to the Transaction, an Interim Investment Management Agreement will take effect upon the closing of the Transaction and will continue in effect for a term ending on the earlier of 150 days from the closing of the Transaction (the 150-day period) or when shareholders of a Fund approve the New Investment Management Agreement. Pursuant to Rule 15a-4 under the 1940 Act, compensation earned by the Adviser under an Interim Investment Management Agreement will be held in an interest-bearing escrow account. If shareholders of a Fund approve the New Investment Management Agreement prior to the end of the 150-day period, the amount held in the escrow account under the Interim Investment Management Agreement will be paid to the Adviser. If shareholders of a Fund do not approve the New Investment Management Agreement prior to the end of the 150-day period, the Board will take such action as it deems to be in the best interests of the Fund and its shareholders, and the Adviser will be paid the lesser of its costs incurred in performing its services under the Interim Investment Management Agreement or the total amount in the escrow account, plus interest earned.

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, 2008, 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 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 oversight 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 Transaction 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 fee, calculated by applying a Fund-specific breakpoint fee schedule that pays progressively reduced fee rates at increased Fund-specific asset levels to the average daily managed assets (which includes assets attributable to all types of leverage used in leveraged funds) of that individual Fund, and a complex-level fee, calculated by applying a fee rate based on the aggregate managed assets of all Nuveen-branded closed-end and open-end registered investment companies organized in the United States to a complex-wide fee schedule that would pay ever-reducing effective fee rates at increasing complex-wide assets, multiplied by that Fund's average daily managed assets. The investment management fee paid by each Fund equals the sum of the fund-level fee and complex-level fee calculated for that Fund.

The fee schedules for the fund-level fee and complex-level fee breakpoint schedules under the New Investment Management Agreements for each Fund are identical to the fund-level fee and complex-level fee breakpoint schedules under the Original Investment Management Agreements. The annual fund-level fee schedule 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 June 30, 2007 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. That complex-wide fee schedule was recently reduced with an effective date of August 20, 2007, as reflected 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, 2008, unless continued. The New Investment Management Agreement may be 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.

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 \$172 billion in assets under management as of June 30, 2007. Nuveen is currently a publicly traded company. Nuveen is currently 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.

Timothy Schwertfeger, Chairman of the Board, is currently a Director and Non-Executive Chairman of Nuveen. Prior to July 1, 2007, he was Chairman and CEO of Nuveen. In addition to his interests as a stockholder of Nuveen, Mr. Schwertfeger has interests in the Transaction. As a result of the Transaction, Mr. Schwertfeger's outstanding options to acquire shares of Nuveen common stock under various Nuveen stock option plans will be cashed out and his outstanding shares of restricted stock (and deferred restricted stock) granted under Nuveen's equity incentive plans will become fully vested and will be converted into the right to receive a cash payment. Based on the number of options and shares of restricted stock held by Mr. Schwertfeger as of July 19, 2007, without regard to any deductions for withholding taxes, his options and restricted stock are valued at \$118,621,561.61 and \$29,405,661.18, respectively.

Mr. Schwertfeger has an employment agreement with Nuveen which provides for certain payments to Mr. Schwertfeger if his employment is terminated under the circumstances described in such agreement. The appointment of another individual to serve as Chief Executive Officer of Nuveen effective July 1, 2007 gives Mr. Schwertfeger a basis to terminate his employment agreement for good reason and the right to receive the payments described therein. Windy City and Mr. Schwertfeger have informed Nuveen that they have reached an agreement in principle under which, among other things, Mr. Schwertfeger would waive his rights upon a good reason termination and Windy City would permit Mr. Schwertfeger to purchase, on terms similar to MDP, equity of Windy City or the surviving corporation after the Transaction.

If Mr. Schwertfeger's employment were to be terminated immediately following the completion of the Transaction and assuming that the Transaction were to be completed on October 1, 2007, he would be entitled to severance payments totaling \$54,908,238.

If Mr. Schwertfeger were to retire on October 1, 2007, under Nuveen's Retirement Plan and Excess Benefit Retirement Plan, the present value of his early retirement benefits would be \$4,691,653.

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 for those Funds that have issued Preferred Shares. 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 below. 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.

2. Approval of New Sub-Advisory Agreements

Background

NAM entered into investment sub-advisory agreements (each, an Original Sub-Advisory Agreement and collectively, the Original Sub-Advisory Agreements) with various sub-advisers (each a Sub-Adviser and collectively, the Sub-Advisers) for each of the Funds, other than Global Government and Multi-Currency Short-Term which are not sub-advised, as set forth below (the Sub-Advised Funds).

Fund	Sub-Adviser
Floating Rate	Symphony
Floating Rate Income Opportunity	Symphony
Tax-Advantaged Floating Rate	Spectrum
Senior Income	Symphony
Real Estate	Security Capital
Diversified Dividend	NWQ ⁽¹⁾ , Security Capital ⁽²⁾ , Symphony ⁽³⁾ and Wellington ⁽⁴⁾
Equity Premium	Gateway
Equity Premium Advantage	Gateway
Equity Premium Income	Gateway
Equity Premium Opportunity	Gateway
Quality Preferred	Spectrum
Quality Preferred 2	Spectrum
Quality Preferred 3	Spectrum
Total Return	NWQ ⁽¹⁾ and Symphony ⁽³⁾
Global Value	Tradewinds
Multi-Strategy Income	Spectrum ⁽⁵⁾ , Symphony ⁽⁶⁾ and Tradewinds ⁽⁷⁾
Multi-Strategy Income 2	Spectrum ⁽⁵⁾ , Symphony ⁽⁶⁾ and Tradewinds ⁽⁷⁾
Core Equity Alpha	INTECH ⁽⁸⁾
Tax-Advantaged Dividend Growth	NWQ ⁽¹⁾ and SBAM ⁽⁹⁾

(1) NWQ is the sub-adviser only with respect to the Fund's dividend paying securities.

(2) Security Capital is the sub-adviser only with respect to the Fund's REIT preferred and common stock and convertible securities investments.

(3) Symphony is the sub-adviser only with respect to the Fund's senior loans and other debt instruments.

(4) Wellington is the sub-adviser only with respect to the Fund's emerging markets and sovereign debt.

(5) Spectrum is the sub-adviser only with respect to the Fund's preferred securities.

(6)

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Symphony is the sub-adviser only with respect to the Fund's senior loans, other debt instruments and equity securities.

(7) Tradewinds is the sub-adviser only with respect to the Fund's equity securities.

(8) INTECH is the sub-adviser only with respect to the Fund's equity securities.

(9) SBAM is the sub-adviser only with respect to the Fund's dividend growth equity securities.

The date of each Original Sub-Advisory Agreement and the date it was last approved by shareholders and approved for continuance by the Board is provided in Appendix F.

As with the Original Investment Management Agreements, each Original Sub-Advisory Agreement, as required by Section 15 of the 1940 Act, provides for its automatic termination in the event of its assignment. A change in control of the investment adviser or sub-adviser is deemed to be an assignment. The completion of the Transaction will result in a change in control of NAM and therefore will be deemed an assignment of each Original Sub-Advisory Agreement resulting in its automatic termination, as required by the 1940 Act. In addition, for NWQ, SBAM, Symphony and Tradewinds, which are wholly-owned by Nuveen, the completion of the Transaction will result in a change in control of NWQ, SBAM, Symphony and Tradewinds and therefore will be deemed an assignment of each Original Sub-Advisory Agreement resulting in its automatic termination, as required by the 1940 Act.

In anticipation of the Transaction, the Board of each Fund met in person on July 31, 2007 for purposes of considering whether it would be in the best interests of each Fund and its shareholders to approve a new sub-advisory agreement between NAM and the respective Sub-Adviser (each a New Sub-Advisory Agreement and collectively, the New Sub-Advisory Agreements). At the Board meeting, and for the reasons discussed below (see Board Considerations), the Board of each Fund, including the Independent Board Members, unanimously determined that the Fund's New Sub-Advisory Agreement or Agreements was or were in the best interests of the Fund and its shareholders and approved the New Sub-Advisory Agreement or Agreements, subject to the consummation of the Transaction and approval by shareholders. The form of the New Sub-Advisory Agreement is attached hereto as Appendix G.

The 1940 Act requires that each New Sub-Advisory Agreement be approved by that Fund's shareholders in order for it to become effective. The Board of each Fund unanimously recommends that shareholders approve the New Sub-Advisory Agreement. In the event shareholders of a Fund do not approve the New Sub-Advisory Agreement, at the Meeting or any adjournment thereof prior to the closing of the Transaction, an interim sub-advisory agreement between the Adviser and the applicable Sub-Adviser (each an Interim Sub-Advisory Agreement and collectively, the Interim Sub-Advisory Agreements) will take effect upon the closing of the Transaction.

At the July 31, 2007 meeting, each Board, including the Independent Board Members, also unanimously approved the Interim Sub-Advisory Agreements in order to assure continuity of advisory services to the Funds after the Transaction. The terms of each Interim Sub-Advisory Agreement are substantially identical to those of the Original Sub-Advisory Agreements and New Sub-Advisory Agreements, except for the term and escrow provisions described below. If a Fund's shareholders have not approved a New Sub-Advisory Agreement prior to the Transaction, an Interim Sub-Advisory Agreement will take effect upon the closing of the Transaction and will continue in effect for a term ending on the earlier of 150 days from the closing of the Transaction (the 150-day period) or when shareholders of a Fund approve the New Sub-Advisory Agreement. Pursuant to Rule 15a-4 under the 1940 Act, compensation earned by a Sub-Adviser under an Interim Sub-Advisory Agreement will be held in an interest-bearing escrow account. If shareholders of a Fund approve the New Sub-Advisory Agreement prior to the end of the 150-day period, the amount held in the escrow account under the Interim Sub-Advisory Agreement will be paid to the Sub-Adviser. If shareholders of a Fund do not approve the New Sub-Advisory Agreement prior to the end of the 150-day period, the Board will take such action as it deems to be in the best interests of the Fund and its shareholders, and the Sub-Adviser will be paid the lesser of its costs incurred in performing its services under the

Interim Sub-Advisory Agreement or the total amount in the escrow account, plus interest earned.

Comparison of Original Sub-Advisory Agreement and New Sub-Advisory Agreement

The terms of each New Sub-Advisory Agreement, including fees payable to the Sub-Adviser by NAM thereunder, are substantially identical to those of the Original Sub-Advisory Agreement, except for the date of effectiveness. There is no change in the fee rate payable by NAM to the Sub-Adviser. If approved by shareholders of a Fund, the New Sub-Advisory Agreement for the Fund will expire on August 1, 2008, unless continued. Each New Sub-Advisory 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 Sub-Advisory Agreements to the terms of the New Sub-Advisory Agreements.

Advisory Services. The advisory services to be provided by the Sub-Adviser to each Fund under the New Sub-Advisory Agreements will be identical to those advisory services currently provided by the Sub-Adviser to each Fund under the Original Sub-Advisory Agreements. Both the Original Sub-Advisory Agreements and New Sub-Advisory Agreements provide that the Sub-Adviser will furnish an investment program in respect of, make investment decisions for and place all orders for the purchase and sale of securities for the portion of the Fund's investment portfolio allocated by the Adviser to the Sub-Adviser, all on behalf of the Fund and subject to oversight of the Fund's Board and the Adviser. In performing its duties under both the Original Sub-Advisory Agreements and the New Sub-Advisory Agreements, the Sub-Adviser will monitor the Fund's investments and will comply with the provisions of the Fund's Declaration of Trust and By-Laws and the stated investment objectives, policies and restrictions of the Fund. It is not anticipated that the Transaction will have any adverse effect on the performance of a Sub-Adviser's obligations under the New Sub-Advisory Agreements.

Brokerage. Both the Original Sub-Advisory Agreements and New Sub-Advisory Agreements authorize the Sub-Adviser to select the brokers or dealers that will execute the purchases and sales of portfolio securities for the Funds, subject to its obligation to obtain best execution under the circumstances, which may take account of the overall quality of brokerage and research services provided to the Sub-Adviser.

Tax-Advantaged Floating Rate, Quality Preferred, Quality Preferred 2, Quality Preferred 3, Multi-Strategy Income and Multi-Strategy Income 2 paid affiliated brokerage commissions within the last fiscal year to Spectrum, which is also the Sub-Adviser to each such Fund. The affiliated brokerage commission paid by each of these Funds is shown in Appendix H.

Fees. Under both the Original Sub-Advisory Agreements and New Sub-Advisory Agreements, the Adviser pays the Sub-Adviser a portfolio management fee out of the investment management fee it receives from the Fund. The rate of the portfolio management fees payable by the Adviser to the Sub-Adviser under the New Sub-Advisory Agreements is identical to the rate of the fees paid under the Original Sub-Advisory Agreements. The annual rate of portfolio management fees payable to the Sub-Adviser under the Original Sub-Advisory Agreements and the New Sub-Advisory Agreements and the fees paid by the Adviser to the Sub-Adviser with respect to each Fund during each Fund's last fiscal year is set forth in Appendix I to this Proxy Statement. Appendix I also includes the advisory fee rates and net assets of funds not included

in this Proxy Statement advised by each Sub-Adviser with similar investment objectives as the Funds the Sub-Adviser sub-advises.

Payment of Expenses. Under each Original Sub-Advisory Agreement and New Sub-Advisory Agreement, the Sub-Adviser agrees to pay all expenses it incurs in connection with its activities under the Agreement other than the cost of securities (including brokerage commissions) purchased for the Fund.

Limitation on Liability. The Original Sub-Advisory Agreements and New Sub-Advisory Agreements provide that the Sub-Adviser will not be liable for, and the Adviser will not take any action against the Sub-Adviser to hold the Sub-Adviser liable for, any error of judgment or mistake of law or for any loss suffered by the Fund in connection with the performance of the Sub-Adviser's duties under the Agreement, except for a loss resulting from willful misfeasance, bad faith or gross negligence on the part of the Sub-Adviser in the performance of duties under the Agreement, or by reason of its reckless disregard of its obligations and duties under the Agreement.

Continuance. Each Original Sub-Advisory 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 a New Sub-Advisory Agreement for that Fund, the New Sub-Advisory Agreement will expire on August 1, 2008, unless continued. Thereafter, the New Sub-Advisory Agreement may be continued for successive one-year periods if approved at least annually in the manner required by the 1940 Act.

Termination. The Original Sub-Advisory Agreement and New Sub-Advisory Agreement or Agreements for each Fund provide that the Agreement may be terminated at any time without the payment of any penalty by NAM or the Sub-Adviser on sixty (60) days' written notice to the other party. The Original Sub-Advisory Agreement and any New Sub-Advisory Agreement may also be terminated by a Fund by action of the Fund's Board or by a vote of a majority of the outstanding voting securities of that Fund, accompanied by 60 days' written notice.

The Original Sub-Advisory Agreement and New Sub-Advisory Agreement or Agreements for each Fund are also terminable with respect to that Fund at any time without the payment of any penalty, by the Adviser, the Board or by vote of a majority of the outstanding voting securities of that Fund in the event that it is established by a court of competent jurisdiction that the Sub-Adviser or any of its officers or directors has taken any action that results in a breach of the representations of the Sub-Adviser set forth in the Agreement.

Information About Sub-Advisers

Gateway. Gateway manages the investment portfolios of Equity Premium, Equity Premium Advantage, Equity Premium Income and Equity Premium Opportunity. Gateway is a registered investment adviser that specializes in the management of index-option-based strategies for managing risk in equity portfolios. Gateway is a Delaware limited partnership and its majority-owner and general partner is Gateway Investment Advisers, Inc. Although Gateway commenced operations in 1995, its predecessor firm was founded in 1977. As of June 30, 2007, Gateway managed over \$7.6 billion in assets. The principal occupation of the officers and directors of Gateway is shown in Appendix J. The business address of Gateway and each officer and director of Gateway is Rookwood Tower, 3805 Edwards Road, Suite 600, Cincinnati, Ohio 45209. Please also see proposal 3 below for additional information about Gateway.

INTECH. INTECH manages the equity portion of the investment portfolio of Core Equity Alpha. Founded in 1987, INTECH specializes exclusively in providing highly-disciplined, mathematical investment strategies designed to seek long term returns in excess of target benchmarks. Their proprietary approach to managing large cap stock portfolios reflects their belief that mathematical, risk controlled stock selection and ongoing portfolio management (focused on the analysis of stock price volatility) can systematically generate alpha for investors risk-adjusted excess return relative to specified benchmarks over time with lower levels of risk. INTECH, a registered investment adviser, is an independently managed subsidiary of Janus Capital Group Inc. Most of the firm's clients are institutional investors, primarily pension funds and endowments. INTECH serves as subadviser for three mutual funds that employ the same large cap core strategy used by Core Equity Alpha. As of June 30, 2007, INTECH managed over \$70 billion in assets. The principal occupation of the officers and directors of INTECH is shown in Appendix J. The business address of INTECH and each officer and director of INTECH is Harbour Financial Center, 2401 PGA Blvd., Suite 100, Palm Beach Gardens, Florida 33410.

NWQ. NWQ, an affiliate of NAM, manages the investment portfolios, or a sleeve thereof, of Diversified Dividend, Total Return and Tax-Advantaged Dividend Growth and certain other Nuveen funds. NWQ is organized as a member-managed limited liability company, and its sole managing member is Nuveen. NWQ has provided investment management services to institutions and high net worth individuals since 1982. As of June 30, 2007, NWQ managed \$38.6 billion in assets (with \$18.2 billion in the Institutional Division and \$20.4 billion in the Managed Accounts Division). The principal occupation of the officers and directors of NWQ is shown in Appendix J. The business address of NWQ and each officer and director of NWQ is 2049 Century Park East, 16th Floor, Los Angeles, California 90067.

SBAM. SBAM, an affiliate of NAM, manages the dividend growth equity strategy of Tax-Advantaged Dividend Growth and certain other Nuveen funds. SBAM is organized as a member-managed limited liability company, and its sole managing member is Nuveen. SBAM specializes in fundamental, bottom-up research to select growth companies. Santa Barbara also serves as subadviser to four open-end mutual funds. As of June 30, 2007, SBAM managed over \$5 billion in assets. The principal occupation of the officers and directors of SBAM is shown in Appendix J. The business address of SBAM and each officer and director of SBAM is 200 E. Carrillo Street, Santa Barbara, California 93101.

Security Capital. Security Capital manages the investment portfolio of Real Estate and the real estate sleeve of the investment portfolio of Diversified Dividend. Security Capital is an indirect wholly-owned subsidiary of JPMorgan Chase & Co. As of June 30, 2007, Security Capital managed over \$5.5 billion in assets. The principal occupation of the officers and directors of Security Capital is shown in Appendix J. The business address of Security Capital and each officer and director of Security Capital is 10 South Dearborn, Suite 1400, Chicago, Illinois 60603.

Spectrum. Spectrum manages the investment portfolios of Tax-Advantaged Floating Rate, Quality Preferred, Quality Preferred 2 and Quality Preferred 3, and the preferred securities sleeves of the investment portfolios of Multi-Strategy Income and Multi-Strategy Income 2. Spectrum specializes in the management of diversified preferred securities portfolios for institutional investors, including Fortune 500 companies, pension funds, insurance companies and foundations. Spectrum, a registered investment adviser, commenced operations in 1987. Spectrum is an independently managed wholly-owned subsidiary of Principal Global Investors, LLC, which is part of Principal Financial Group Inc., a publicly traded, diversified, insurance and

financial services company. As of June 30, 2007, Spectrum managed approximately \$13.2 billion in assets. The principal occupation of the officers and directors of Spectrum is shown in Appendix J. The business address of Spectrum and each officer and director of Spectrum is 2 High Ridge Park, Stamford, Connecticut 06905.

Symphony. Symphony, an affiliate of NAM, manages the investment portfolios of Floating Rate, Floating Rate Income Opportunity and Senior Income, and sleeves of the investment portfolios of Diversified Dividend, Total Return, Multi-Strategy Income and Multi-Strategy Income 2, and certain other Nuveen funds. Symphony specializes in the management of market neutral equity and debt strategies and senior loan and other debt portfolios. Symphony, a registered investment adviser, commenced operations in 1994. Symphony is an indirect wholly-owned subsidiary of Nuveen. As of June 30, 2007, Symphony managed over \$10 billion in assets. The principal occupation of the officers and directors of Symphony is shown in Appendix J. The business address of Symphony and each officer and director of Symphony is 555 California Street, San Francisco, California 94104.

Tradewinds. Tradewinds, an affiliate of NAM, manages the investment portfolio of Global Value, and sleeves of the investment portfolios of Multi-Strategy Income and Multi-Strategy Income 2, and certain other Nuveen funds. Tradewinds specializes in global and international equity investing. Most of Tradewinds' personnel were affiliated with NWQ until March 2006, when NWQ reorganized into two distinct entities: NWQ and Tradewinds. Tradewinds is organized as a member-managed limited liability company, with Nuveen as its sole managing member. As of June 30, 2007, Tradewinds managed approximately \$35.3 billion in assets. The principal occupation of the officers and directors of Tradewinds is shown in Appendix J. The business address of Tradewinds and each officer and director of Tradewinds is 2049 Century Park East, 20th Floor, Los Angeles, California 90067.

Wellington. Wellington manages the emerging market debt sleeve of the investment portfolio of Diversified Dividend. Wellington is a professional investment counseling firm which provides investment services to investment companies, employee benefit plans, endowments, foundations and other institutions. Wellington manages assets for clients using a broad range of equity and fixed-income approaches. Wellington, a registered investment adviser, and its predecessor organizations commenced operations in 1928. Wellington is a Massachusetts limited liability partnership owned by its 98 partners, all of whom are active in the business. As of June 30, 2007, Wellington managed approximately \$597 billion in assets. The principal occupation of the principal executive officers of Wellington is shown in Appendix J. The business address of Wellington and each principal executive officer of Wellington is 75 State Street, Boston, Massachusetts 02109.

Shareholder Approval

To become effective, each New Sub-Advisory 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 for the Funds that have issued Preferred Shares. 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 Sub-Advisory Agreement was approved by the Board after consideration of all factors which it determined to be relevant to its deliberations, including those

discussed below. The Board also determined to submit the New Sub-Advisory 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 Fund's New Sub-Advisory Agreement.

Board Considerations

I. Approval of the Original Investment Management Agreements and Original Sub-Advisory Agreements

The Board Members are responsible for overseeing the performance of the investment adviser to the Funds and determining whether to approve or continue the advisory arrangements. During the year, the Board of each Fund had performed a full annual review of or initially approved the Original Investment Management Agreements and, with respect to Funds with Sub-Advisers, the Original Sub-Advisory Agreements. The annual review of advisory and sub-advisory contracts was held at a Board Meeting on May 21, 2007 (the May Meeting). The Funds with Original Investment Management Agreements and/or Original Sub-Advisory Agreements subject to the annual review at the May Meeting (the Existing Funds) and the Funds with Original Investment Management Agreements and/or Original Sub-Advisory Agreements that were initially approved (the New Funds) at other dates during the year (each an Initial Approval Meeting) are set forth in Appendix B (for Original Investment Management Agreements) and Appendix F (for Original Sub-Advisory Agreements). NAM and each Sub-Adviser are referred to herein as a Fund Adviser. Because the information provided and considerations made at the annual and initial reviews continue to be relevant with respect to the evaluation of the New Investment Management Agreements and New Sub-Advisory Agreements, the Board considered the foregoing as part of their deliberations of the New Investment Management Agreements and New Sub-Advisory Agreements. Accordingly, as indicated, the discussions immediately below outline the materials and information presented to the Board in connection with the Board's prior annual or initial review and the analysis undertaken and the conclusions reached by Board Members when determining to approve or continue the Original Investment Management Agreements and Original Sub-Advisory Agreements.

During the course of the year, the Board received a wide variety of materials relating to the services provided by the Fund Advisers and the performance of the Funds (as applicable). At each of its quarterly meetings, the Board reviewed investment performance (as applicable) and various matters relating to the operations of the Funds, including the compliance program, shareholder services, valuation, custody, distribution and other information relating to the nature, extent and quality of services provided by the Fund Adviser. Between the regularly scheduled quarterly meetings, the Board Members received information on particular matters as the need arose. In addition, because the Advisers and Sub-Advisers to the New Funds (other than INTECH) already serve in such respective capacities for other Nuveen funds, the information provided regarding the Fund Advisers at the annual review at the May Meeting supplemented the information received at the initial approvals. INTECH, however, is a new Sub-Adviser to a New Fund in the complex (i.e., Core Equity Alpha). Accordingly, the discussion below for Fund Advisers at the annual review does not include INTECH. In addition, with respect to Multi-Strategy Income and Multi-Strategy Income 2, in connection with recent changes to the mandates of these Funds, the Board Members approved Tradewinds as a new additional Sub-Adviser to these Funds and an amended sub-advisory agreement with

Symphony in November, 2006. Such agreements were also subject to shareholder approval. Although Tradewinds did not begin to serve as a Sub-Adviser to these Funds by the time of the May Meeting, Tradewinds, as noted, serves as Sub-Adviser to other Nuveen funds. Accordingly, the information provided and considerations regarding Tradewinds at the annual review continue to be relevant to the evaluation of Tradewinds and supplement the information provided at the prior review. Finally, with respect to Global Government and Global Value, since such Funds are relatively new, the Funds are treated similarly to New Funds with respect to performance and expenses, unless indicated otherwise.

In preparation for their considerations at the May Meeting, the Independent Board Members received extensive materials, well in advance of the meeting, which outlined or are related to, among other things:

the nature, extent and quality of services provided by the Fund Adviser;

the organization and business operations of the Fund Adviser, including the responsibilities of various departments and key personnel;

each Existing Fund's past performance as well as the Existing Fund's performance compared to funds with similar investment objectives based on data and information provided by an independent third party and to recognized and/or customized benchmarks (as appropriate);

the profitability of the Fund Adviser and certain industry profitability analyses for unaffiliated advisers;

the expenses of the Fund Adviser in providing the various services;

the advisory fees and total expense ratios of each Existing Fund, including comparisons of such fees and expenses with those of comparable, unaffiliated funds based on information and data provided by an independent third party (the Peer Universe) as well as compared to a subset of funds within the Peer Universe (the Peer Group) of the respective Existing Fund (as applicable);

the advisory fees the Fund Adviser assesses to other types of investment products or clients;

the soft dollar practices of the Fund Adviser, if any; and

from independent legal counsel, a legal memorandum describing among other things, applicable laws, regulations and duties in reviewing and approving advisory contracts.

At the Initial Approval Meetings, the Board Members received in advance of such meeting or at prior meetings similar materials, including the nature, extent and quality of services expected to be provided; the organization and operations of any Fund Adviser (including the responsibilities of various departments and key personnel); the expertise and background of the Fund Adviser; the profitability of Nuveen (which includes its wholly-owned advisory subsidiaries); the proposed management fees, including comparisons with peers; the expected expenses of the New Fund, including comparisons of the expense ratios with peers; and the soft dollar practices of the Fund Adviser. However, unlike Existing Funds, the New Funds did not have actual past performance at the time of approval.

At the May Meeting, NAM made a presentation to, and responded to questions from, the Board. At the May Meeting and applicable Initial Approval Meeting, the Independent Board Members met privately with their legal counsel to review the Board's duties in reviewing advisory contracts and considering the approval or renewal of the advisory contracts (which

include the sub-advisory contracts). The Independent Board Members, in consultation with independent counsel, reviewed the factors set out in judicial decisions and SEC directives relating to the approval or renewal of advisory contracts. As outlined in more detail below, the Board Members considered all factors they believed relevant with respect to each Fund, including, but not limited to, the following: (a) the nature, extent and quality of the services to be provided by the Fund Adviser; (b) the investment performance of the Fund and the Fund Adviser (as applicable); (c) the costs of the services to be provided and profits to be realized by the Fund Adviser and its affiliates; (d) the extent to which economies of scale would be realized; and (e) whether fee levels reflect those economies of scale for the benefit of the Fund's investors. In addition, as noted, the Board Members met regularly throughout the year to oversee the Funds. In evaluating the advisory contracts, the Board Members also relied upon their knowledge of the respective Fund Adviser, its services and the Funds resulting from their meetings and other interactions throughout the year. It is with this background that the Board Members considered each advisory contract.

A. Nature, Extent and Quality of Services

In considering the approval or renewal of the Original Investment Management Agreements and Original Sub-Advisory Agreements, the Board Members considered the nature, extent and quality of the respective Fund Adviser's services. The Board Members reviewed materials outlining, among other things, the Fund Adviser's organization and business; the types of services that the Fund Adviser or its affiliates provide or are expected to provide to the Funds; the performance record of the Fund (as described in further detail below); and at the annual review, any initiatives Nuveen had taken for the applicable fund product line. As noted, at the annual review, the Board Members were already familiar with the organization, operations and personnel of each respective Fund Adviser due to the Board Members' experience in governing the respective Funds and working with such Fund Advisers on matters relating to the Funds. At the May Meeting, the Board Members also recognized NAM's investment in additional qualified personnel throughout the various groups in the organization and recommended to NAM that it continue to review staffing needs as necessary. The Board Members recognized NAM's investment of resources and efforts to continue to enhance and refine its investment processes. With respect to the taxable fixed income funds advised by NAM (e.g., Global Government and Multi-Currency Short-Term) the Board Members also considered the depth of experience of NAM personnel managing this type of Fund and their respective investment strategies.

With respect to Sub-Advisers, the Board Members also received and reviewed an evaluation of each Sub-Adviser (other than INTECH) from NAM at the annual review. Such evaluation outlined, among other things, the respective Sub-Adviser's organizational history, client base, product mix, investment team and any changes thereto, investment process and any changes to its investment strategy, and the Funds' investment objectives and performance (as applicable). At the May Meeting, the Board Members noted that NAM recommended the renewal of the applicable Original Sub-Advisory Agreements and considered the basis for such recommendations and any qualifications in connection therewith. In its review of the Sub-Advisers, the Board Members also considered, among other things, the experience of the investment personnel, the quality of the Sub-Adviser's investment processes in making portfolio management decisions and any additional refinements and improvements adopted to the portfolio management processes and Fund performance. During the last year, the Board Members noted that they visited several Sub-Advisers meeting their key investment and business personnel. In

this regard, the Board Members visited Gateway in October, 2006 and SBAM, NWQ and Tradewinds in February, 2007. The Board Members noted such Sub-Advisers' experienced investment teams. With respect to the Funds sub-advised by NWQ, SBAM, and Security Capital, the Board Members also noted the depth of experience of their respective personnel and disciplined investment process at the annual review.

In addition to advisory services, the Independent Board Members considered the quality of administrative and non-advisory services provided by NAM and noted that NAM and its affiliates provide the Funds with a wide variety of services and officers and other personnel as are necessary for the operations of the Funds, including:

- product management;
- fund administration;
- oversight by shareholder services and other fund service providers;
- administration of Board relations;
- regulatory and portfolio compliance; and
- legal support.

As the Funds operate in a highly regulated industry and given the importance of compliance, the Board Members considered, in particular, NAM's compliance activities for the Funds and enhancements thereto. In this regard, the Board Members recognized the quality of NAM's compliance team. With respect to Funds with Sub-Advisers, the Board Members also considered NAM's ability and procedures to monitor the respective Sub-Adviser's performance, business practices and compliance policies and procedures. The Board Members further noted NAM's negotiations with other service providers and the corresponding reduction in certain service providers' fees at the May Meeting.

With respect to closed-end Funds, in addition to the foregoing services, the Board Members also noted the additional services that NAM or its affiliates provide to closed-end Funds, including, in particular, its secondary market support activities. The Board Members recognized Nuveen's continued commitment to supporting the secondary market for the common shares of its closed-end Funds through a variety of programs designed to raise investor and analyst awareness and understanding of closed-end funds. These efforts include:

- maintaining shareholder communications;
- providing advertising for the closed-end Funds;
- maintaining its closed-end fund website;
- maintaining continual contact with financial advisers;
- providing educational symposia;
- conducting research with investors and financial analysis regarding closed-end funds; and
- evaluating secondary market performance.

With respect to the closed-end Funds that utilize leverage through the issuance of Preferred Shares, the Board Members noted Nuveen's continued support for the holders of Preferred Shares by, among other things:

- maintaining an in-house trading desk;
- maintaining a product manager for the Preferred Shares;
- developing distribution for Preferred Shares with new market participants;
- maintaining an orderly auction process;
- managing leverage and risk management of leverage; and
- maintaining systems necessary to