NUVEEN MUNICIPAL HIGH INCOME OPPORTUNITY FUND
Form N-CSR
January 06, 2014

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21449

Nuveen Municipal High Income Opportunity Fund
(Exact name of registrant as specified in charter)

Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606
(Address of principal executive offices) (Zip code)

Kevin J. McCarthy
Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606
(Name and address of agent for service)

Registrant's telephone number, including area code: (312) 917-7700

Date of fiscal year end: October 31

Date of reporting period: October 31, 2013

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

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Chairman's Letter to Shareholders

Dear Shareholders,

I am pleased to have this opportunity to introduce myself to you as the new independent chairman of the Nuveen Fund Board, effective July 1, 2013. I am honored to have been selected as chairman, with its primary responsibility to serve the interests of the Nuveen Fund shareholders. My predecessor, Robert Bremner, was the first independent director to serve as chairman of the Board and I, and my fellow Board members, plan to continue his legacy of strong independent oversight of your funds.

The global economy has hit major turning points over the last several months to a year. The developed world is gradually recovering from their financial crisis while the emerging markets appear to be struggling with the downshift of China's growth potential. Japan is entering a new era of growth after decades of economic stagnation and many of the Eurozone nations appear to be exiting their recession. Despite the positive events, there are still potential risks. Middle East tensions, rising oil prices, defaults in Europe and fallout from the financial stress in emerging markets could all reverse the recent progress in the global economy.

On the domestic front, recent events such as the Federal Reserve decision to slow down its bond buying program beginning in January of 2014 and the federal budget compromise that would guide government spending into 2015 are both positives for the economy moving forward. Corporate fundamentals are strong as earnings per share and corporate cash are at the highest level in two decades. Unemployment is trending down and the housing market has experienced a rebound, each assisting the positive economic scenario. However, there are some issues to be watched. Interest rates are expected to increase but significant uncertainty about the timing remains. Partisan politics in Washington D.C. with their troublesome outcome add to the uncertainties that could cause problems for the economy going forward.

In the near term, governments are focused on economic recovery and the growth of their economies, which could lead to an environment of attractive investment opportunities. Over the long term, the uncertainties mentioned earlier could hinder the potential growth. Because of this, Nuveen's investment management teams work hard to balance return and risk with a range of investment strategies. I encourage you to read the following commentary on the management of your fund.

On behalf of the other members of the Nuveen Fund Board, we look forward to continuing to earn your trust in the months and years ahead.

Sincerely,

William J. Schneider
Chairman of the Nuveen Fund Board
December 23, 2013

Portfolio Managers' Comments

Nuveen Investment Quality Municipal Fund, Inc. (NQM)
Nuveen Select Quality Municipal Fund, Inc. (NQS)
Nuveen Quality Income Municipal Fund, Inc. (NQU)
Nuveen Premier Municipal Income Fund, Inc. (NPF)
Nuveen Municipal High Income Opportunity Fund (NMZ)

These Funds feature management by Nuveen Asset Management, LLC, an affiliate of Nuveen Investments. Portfolio managers Christopher L. Drahn, CFA, Thomas C. Spalding, CFA, Daniel J. Close, CFA, and John V. Miller, CFA, discuss U.S. economic and municipal market conditions, key investment strategies and the twelve-month performance of these five national Funds. Chris has managed NQM since 2011, and Tom has managed NQS and NQU since 2003. Dan assumed portfolio management responsibility for NPF in 2011, while John has managed NMZ since its inception in 2003.

FUND REORGANIZATION

Effective before the opening of business on July 15, 2013, NMD (the Acquired Fund) was reorganized into NMZ (the Acquiring Fund).

See Notes to Financial Statements, Note 1 – General Information and Significant Accounting Policies, Fund Reorganization for further information.

What factors affected the U.S. economy and the national municipal market during the twelve-month reporting period ended October 31, 2013?

During this reporting period, the U.S. economy's progress toward recovery from recession continued at a moderate pace. The Federal Reserve (Fed) maintained its efforts to improve the overall economic environment by holding the benchmark fed funds rate at the record low level of zero to 0.25% that it established in December 2008. The Fed also continued its monthly purchases of $40 billion of mortgage-backed securities and $45 billion of longer-term Treasury securities in an open-ended effort to bolster growth and promote progress toward the Fed's mandates of maximum employment and price stability. At its June 2013 meeting, the Fed indicated that it believed downside risks to the economy had diminished since the autumn of 2012. Subsequent comments by Fed Chairman Ben Bernanke suggested that the Fed might begin to reduce, or taper, its asset purchase program later in 2013. However, in September 2013, the Fed surprised the market by announcing that it had decided to wait for more

Certain statements in this report are forward-looking statements. Discussions of specific investments are for illustration only and are not intended as recommendations of individual investments. The forward-looking statements and other views expressed herein are those of the portfolio managers as of the date of this report. Actual future results or occurrences may differ significantly from those anticipated in any forward-looking statements, and the views expressed herein are subject to change at any time, due to numerous market and other factors. The Funds disclaim any obligation to update publicly or revise any forward-looking statements or views expressed herein.

Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's (S&P), Moody's Investors Service (Moody's), Inc. or Fitch, Inc. (Fitch). Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below investment grade ratings. Certain bonds backed by U.S. government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by these national rating agencies.

Portfolio Managers' Comments (continued)

evidence that the progress it discerned in June was sustainable before it made any adjustments to the pace of the purchase program. At its October 2013 meeting, the central bank reiterated this decision and said that it expected to continue its "highly accommodative stance of monetary policy" for "a considerable time" after the purchase program ends and the economic recovery strengthens. Finally, in December of 2013, the Fed announced a decision to slow down its bond buying program beginning in January of 2014.

In the third quarter of 2013, the U.S. economy, as measured by the U.S. gross domestic product (GDP), grew at an annualized rate of 2.8%, up from 2.5% for the second quarter of 2013, continuing the pattern of positive economic growth for the tenth consecutive quarter. The Consumer Price Index (CPI) rose 1.0% year-over-year as of October 2013, while the core CPI (which excludes food and energy) increased 1.7% during the same period, staying within the Fed's unofficial objective of 2.0% or lower for this inflation measure. Improvements in the labor markets continued to be slow, and unemployment remained above the Fed's target of 6.5%. As of October 2013, the national unemployment rate was 7.3%, up from 7.2% in September 2013 but below the 7.9% reported in October 2012. The slight uptick in October's number reflected the increase in federal employees furloughed due to the government shutdown that month. The housing market continued to deliver good news, as the average home price in the S&P/Case-Shiller index of 20 major metropolitan areas rose 13.3% for the twelve months ended September 2013 (most recent data available at the time this report was prepared), the largest twelve-month percentage gain for the index since February 2006.

Early in this reporting period, the outlook for the U.S. economy was clouded by uncertainty about global financial markets and the outcome of the "fiscal cliff." The tax consequences of the fiscal cliff situation were averted through a last-minute deal that raised payroll taxes, but left in place a number of tax breaks, including tax exemptions on municipal bond interest. However, lawmakers failed to reach a resolution on $1.2 trillion in spending cuts intended to address the federal budget deficit. This triggered a program of automatic spending cuts (or sequestration) that impacted federal programs beginning March 1, 2013. Although Congress later passed legislation that established federal funding levels for the remainder of fiscal 2013, the federal budget for fiscal 2014 continued to be debated. On October 1, 2013, the start date for fiscal 2014, the federal government shut down for 16 days until an interim appropriations bill was signed into law, funding the government at sequestration levels through January 15, 2014, and suspending the debt limit until February 7, 2014. Subsequent to the close of this reporting period, Congress preliminarily passed a federal budget deal that would guide government spending into 2015 and defuse the chances of another shutdown if it wins final passage. In addition to the ongoing political debate over federal spending, Chairman Bernanke's June 2013 remarks about tapering the Fed's asset purchase program touched off widespread uncertainty about the next step for the Fed's quantitative easing program and about the potential impact on the economy and financial markets, leading to increased market volatility. This was compounded by headline credit stories involving Detroit's bankruptcy filing in July 2013, the largest municipal bankruptcy in history, and the disappointing news that continued to come out of Puerto Rico, where a struggling economy and years of deficit spending and borrowing resulted in downgrades on the commonwealth's bonds.

While municipal bond prices generally rallied during the first part of this reporting period, as strong demand and tight supply created favorable municipal market conditions, we saw the environment shift during the second half of the reporting period. The Treasury market traded off, the municipal market followed suit, and spreads widened as investor concern grew. This unsettled environment prompted increased selling by bondholders across the fixed income markets. Following the Fed's September decision to delay tapering, we saw some stabilization of municipal bond fund flows and an October rally in municipal bond prices. However, for the reporting period as a whole, municipal bond prices generally declined, especially at the longer end of the maturity spectrum, while interest rates rose. At the same time, fundamentals on municipal bonds remained strong, as state governments made good progress in dealing with budget issues. Due to strong growth in personal tax collections, state tax revenues have increased for 15 consecutive quarters, while on the expense side, the states made headway in cutting and controlling costs, with more than 40 states implementing some type of pension reform. The current level of municipal issuance reflects the present political distaste for additional borrowing by state and local governments facing fiscal constraints and the prevalent atmosphere of municipal budget austerity. Over the twelve months ended October 31, 2013, municipal bond issuance nationwide totaled $335.2 billion, a decrease of 11.7% from the issuance for the twelve-month period ended October 31, 2012.

What key strategies were used to manage these Funds during the twelve-month reporting period ended October 31, 2013?

As the municipal market environment shifted during this reporting period, from one characterized by heavy bond calls, tight supply and lower yields to one marked by increased market volatility and rising rates, we continued to take a bottom-up approach to discovering sectors that appeared undervalued as well as individual credits that had the potential to perform well over the long term.

During this reporting period, NQS and NQU found value in diversified areas of the market, including health care, transportation, water and sewer, and tobacco. A number of new health care issues that we considered attractively priced enabled us to add to the Funds' exposure. We also purchased a variety of bonds issued for tollroads, including the Grand Parkway in Houston, Texas, which, when completed, will be the longest beltway in the U.S., at 184 miles. Also in the transportation sector, heavy supply of airport bonds in both the primary and secondary markets provided opportunities to add to our holdings there. In anticipation of bond calls affecting the Funds' holdings of Louisiana and Washington tobacco credits, we also selectively purchased tobacco bonds from other state issuers in order to keep our tobacco exposure relatively stable. During the summer, as the market sold off, we were able to find these bonds at attractive prices in the secondary market. Geographically speaking, we often looked to states with heavier issuance to find value, such as California, Texas and Florida.

In NQM, we also were active in areas where we saw value, such as health care, water and sewer, and transportation. During this reporting period, our transportation sector purchases included a number of airports and tollroads as well as bonds issued by the New York Metropolitan Transportation Authority. NPF added bonds across a variety of sectors, including industrial development revenue (IDR) bonds, some of which represented below investment grade purchases: gas prepayment credits, utilities, water and sewer, transportation, where our purchases included the Grand Parkway tollroad in Texas and Ohio's Buckeye tobacco bonds. NQM and NPF also employed strategies intended to enhance the Funds' positioning and potentially increase income distribution. As interest rates began to rise, these strategies included bond swaps. Many of the bonds we added to our portfolios in 2012 and early 2013 were purchased at significant premiums. Because tax laws require that these premiums be amortized, this reduces the amount of income available for distribution from the coupon. By swapping or repositioning into different bonds in a rising interest rate environment, the expense of amortization basically is converted into a capital loss, so that more of the income from the coupon can be distributed to shareholders. An additional benefit of this strategy was the generation of tax loss carry-forwards that can be used to offset future capital gains.

In NMZ, our purchases largely focused on areas that had performed well for the Fund, such as land-backed credits and IDR bonds. In the land-backed area, we added a variety of names, including the Moreno Valley community facilities district (CFD) in California, the Southland and Brighton Crossing metropolitan districts in Colorado and several community development districts (CDDs) in Florida, such as Hawks Point in Hillsborough County, Bartram Park in St. Augustine, Midtown Miami and Palm Glades in Miami-Dade County. We also took advantage of attractive prices to purchase IDR bonds issued for American Airlines, in light of our favorable view of the airline's reorganization efforts, emergence from bankruptcy and plans to merge with US Airways. Another IDR purchase in NMZ involved bonds issued by Ascension Parish in Louisiana for Impala Warehousing, with the proceeds to be used to transform the parish's Burnside terminal into a state-of-the-art major bulk facility for coal, bauxite and alumina. The Burnside facility will be one of very few on the Mississippi River with both rail-to-vessel and barge-to-vessel capabilities.

Portfolio Managers' Comments (continued)

More generally, we realized an increased number of bond calls due to current refundings. The called bonds were priced to short calls and therefore had negligible durations. Reinvesting the proceeds from these bonds in anything other than cash had the natural consequence of extending duration. To balance this effect, the Funds generally focused their purchases on bonds with maturities that would help maintain the positioning of the individual Fund's duration. In addition, NQM increased its exposure to the A-rated sector over the course of the year, while the other Funds tended to purchase bonds in the middle to lower investment quality categories, including some below investment grade credits.

Activity during this reporting period was driven primarily by the reinvestment of proceeds from called and matured bonds, which was aimed at keeping the Funds fully invested and supporting their income streams. During the early part of this reporting period, the increased number of current bond calls provided a meaningful source of liquidity. Although refinancing activity declined as interest rates rose, we continued to have cash from the earlier refundings to reinvest. We also engaged in some tactical selling, that is, taking advantage of attractive bids for certain issues resulting from strong demand to sell a specific issue and reinvest the proceeds into bonds that we thought offered more potential. During August 2013, NPF sold some of its holdings of pre-refunded bonds in order to take advantage of investment opportunities in lower rated credits. As part of liquidity management, NMZ also sold some holdings, including tobacco and natural gas prepayment bonds, and used the proceeds to purchase what we believed to be better opportunities in the marketplace. This Fund also closed out its position in bonds issued for the Mid-Bay Bridge in Florida, which had appreciated in price since our purchase, due to concerns about the bond's yield relative to its credit quality. Despite the decrease in new issuance, we continued to find opportunities to purchase bonds that helped us achieve our goals for these Funds.

As of October 31, 2013, all of these Funds continued to use inverse floating rate securities. We employ inverse floaters for a variety of reasons, including duration management, income enhancement and total return enhancement. During this reporting period, NPF found it advantageous to add a new inverse floating rate trust funded with paper issued by JobsOhio, the state's private, non-profit economic development agency. The proceeds from these bonds were used to lease Ohio's wholesale liquor franchise for a term of 25 years, with profits from the franchise to be used to fund JobsOhio's job creation efforts. As part of our duration management strategies, NMZ also used forward interest rate swap contracts to reduce the duration of its portfolio. Since interest rates trended upward over the course of the reporting period, the swaps had a mildly positive impact on performance. During the early part of the reporting period, as the Fund's duration migrated lower, the interest rate swaps were reduced. However, NMZ still had a swap in place at the end of the period.

How did the Funds perform during the twelve-month reporting period ended October 31, 2013?

The tables in each Fund's Performance Overview and Holding Summaries section of this report provide the Funds' total returns for the one-year, five-year and ten-year periods ended October 31, 2013. Each Fund's returns are compared with the performance of a corresponding market index and Lipper classification average.

For the twelve months ended October 31, 2013, the total returns on common share net asset value (NAV) for NQM, NQS, NQU and NPF underperformed the return for the national S&P Municipal Bond Index. For the same period, NQM, NQS and NPF exceeded the average return for the Lipper General & Insured Leveraged Municipal Debt Funds Classification Average, while NQU underperformed this Lipper average. NMZ performed in line with the return for the S&P Municipal Bond High Yield Index and trailed the average return for the Lipper High-Yield Municipal Debt Funds Classification Average.

Key management factors that influenced the Funds' returns during this reporting period included duration and yield curve positioning, the use of derivatives in NMZ, credit exposure and sector allocation. In addition, the use of leverage was an important factor affecting the Funds' performance. Leverage is discussed in more detail later in this report.

As interest rates rose and the yield curve steepened, municipal bonds with shorter maturities generally outperformed those with longer maturities. Overall, credits with maturities of five years or less posted the best returns during this reporting period, while bonds at the longest end of the municipal yield curve, which have the greatest interest rate sensitivity, produced the weakest results. In general, differences in duration and yield curve positioning were the major drivers of differences in performance. While all of these Funds tended to have less exposure to the outperforming short end of the yield curve and greater exposure to the longer parts of the curve that underperformed, NQU was the least advantageously positioned in terms of duration and yield curve.

Although NMZ's performance also was hindered by its longer duration, this Fund used forward interest rate swaps to reduce duration and moderate interest rate risk, as previously described. The swaps were used to hedge against potential increases in interest rates. The swaps had a mildly positive impact on NMZ's total return performance, which was offset to some degree by the Fund's overall duration and yield curve positioning.

Credit exposure also factored into the Funds' performance, especially during the latter half of the reporting period, as events in the municipal market led investors to avoid risk. High yield bonds came under selling pressure and credit spreads, or the difference in yield spreads between U.S. Treasury securities and comparable investments such as municipal bonds, began to widen in the general municipal market. For the reporting period, AAA-rated and AA-rated bonds generally outperformed A- and BBB-rated bonds. However, non-rated bonds and BB-rated bonds also performed well. This led to somewhat mixed performance results in terms of credit exposure. While NQM, NQS, NQU and NPF tended to have heavy weightings in single-A-rated bonds, this was offset to some degree by their weightings of AAA- and AA-rated bonds. Overall, NMZ benefited from its overweighting in non-rated credits.

After underperforming for many months, pre-refunded bonds, which are often backed by U.S. Treasury securities, were among the best performing market segments. The outperformance of these bonds can be attributed primarily to their shorter effective maturities and higher credit quality. As of October 31, 2013, NPF held the heaviest weighting of pre-refunded bonds, which benefited its performance. As higher quality credits with shorter durations, pre-refunded bonds generally do not fit the profile of a longer-term, higher yielding Fund such as NMZ, which had negligible exposure to pre-refunded bonds. Housing, health care and general obligation (GO) bonds also tended to outperform the general municipal market. All of these Funds had strong exposure to the health care sector, especially NQM.

In addition, NMZ benefited from its strong weightings in land-secured credits, including CDDs and IDR bonds as well as good individual credit selection within these sectors. NMZ was rewarded with strong performance from CDD holdings in Florida, including Tolomato special assessment district near Jacksonville and Harmony CDD in Osceola County. Both of these holdings performed well based on improving fundamentals. NMZ also benefited from the turnaround in the Christian Care Mesa II project, a senior living facility in Maricopa County, Arizona, which appreciated in price due to improved performance at the facility level. Another positive factor was the pre-refunding of NMZ's holding of bonds issued for the conference center project in downtown Vancouver, Washington, which appreciated significantly during the period. NMZ also had exposure to American Airlines facilities in New York, Los Angeles and Tulsa, Oklahoma. These holdings performed well for the Fund in view of news about the airline's successful completion of bankruptcy proceedings and plans to merge with US Airways.

In contrast, revenue bonds as a whole underperformed the municipal market. Among the revenue sectors that lagged municipal market performance by the widest margins for the period were transportation, water and sewer, and electric utilities. NQM, NQS, NQU and NPF all had double-digit weightings in the transportation sector. Tobacco credits backed by the 1998 master tobacco settlement agreement also performed poorly, due in part to their longer effective durations, lower credit ratings. As of October 31, 2013, NQS and NQU had the heaviest weightings in tobacco bonds, which detracted from their performance.

During this reporting period, two credit situations weighed on the municipal market. It is important to note that, while these situations received much attention from the media, they represented isolated events. On July 18, 2013,

Portfolio Managers' Comments (continued)

the City of Detroit filed for Chapter 9 bankruptcy. Detroit, burdened by decades of population loss, declines in the auto manufacturing industry and significant tax base deterioration, has been under severe financial stress for an extended period. Detroit's bankruptcy filing will likely be a lengthy one, given the complexity of its debt portfolio, number of creditors, numerous union contracts and significant legal questions that must be addressed. Each of the Funds in this report had small holdings in a variety of Detroit water and sewer credits, which are considered essential services bonds and supported by revenue streams generated by service fees. NQM and NMZ also held positions in Detroit limited tax obligation bonds for state aid backed by the state of Michigan, and NMZ held less than 1% of its portfolio in Detroit GOs. Most of the Funds' Detroit holdings are insured, which we believe adds a measure of value. During this reporting period, the Funds' positions in Detroit-related bonds had a negligible impact on investment performance due to the Detroit bankruptcy.

Another factor affecting the Funds' holdings was the downgrade of debt issued by Puerto Rico. In 2012, Moody's downgraded Puerto Rico GO bonds to Baa3 from Baa1, Puerto Rico Sales Tax Financing Corporation (COFINA) senior sales tax revenue bonds to Aa3 from Aa2 and COFINA subordinate sales tax revenue bonds to A3 from A1. In October 2013, Moody's further downgraded the COFINA senior sales tax bonds to A2, while affirming the subordinate bonds at A3. On November 14, 2013 (subsequent to the close of this reporting period), Fitch announced that it was placing the majority of Puerto Rico issuance—with the exception of the COFINA bonds—on negative credit watch, which implies that another downgrade may be likely. While Fitch currently rates Puerto Rico issuance at BBB-, it affirmed the ratings on COFINA bonds at AA- for the senior bonds and A+ for the subordinate bonds, with stable outlooks. On December 11, 2013 (subsequent to the close of this reporting period), Moody's announced that it also had placed its Baa3 rating on Puerto Rico GOs (and other Puerto Rico issues linked to the GO rating) on review for downgrade. These downgrades were based on Puerto Rico's ongoing economic problems and, in the case of the COFINA bonds, the impact of these problems on the projected growth of sales tax revenues. However, the COFINA bonds were able to maintain a higher credit rating than the GOs because, unlike the revenue streams supporting some Puerto Rican issues, the sales taxes supporting the COFINA bonds cannot be diverted and used to support Puerto Rico's GO bonds.

For the reporting period ended October 31, 2013, Puerto Rico paper underperformed the municipal market as a whole. All of these Funds have limited exposure to Puerto Rico bonds, the majority of which are the sales tax bonds issued by COFINA, which we consider the best of the Puerto Rico issuance. NQM, NQS and NQU also held small positions in a variety of other Puerto Rico credits, including electric power, highway and aqueduct bonds, while NPF had a position in Puerto Rico tobacco bonds. During this reporting period, NPF sold its holdings of COFINA bonds (September 2013). Overall, the small nature of our exposure helped to limit the impact of the Puerto Rico bonds' underperformance on the Funds.

Fund Leverage

IMPACT OF THE FUNDS’ LEVERAGE STRATEGIES ON PERFORMANCE

One important factor impacting the returns of the Funds relative to their comparative benchmarks was the Funds’ use of leverage through their issuance of preferred shares and/or investments in inverse floating rate securities, which represent leveraged investments in underlying bonds. The Funds use leverage because our research has shown that, over time, leveraging provides opportunities for additional income, particularly in the recent market environment where short-term market rates are at or near historical lows, meaning that the short-term rates the Fund has been paying on its leveraging instruments have been much lower than the interest the Fund has been earning on its portfolio of long-term bonds that it has bought with the proceeds of that leverage. However, use of leverage also can expose the Fund to additional price volatility. When a Fund uses leverage, the Fund will experience a greater increase in its net asset value if the municipal bonds acquired through the use of leverage increase in value, but it will also experience a correspondingly larger decline in its net asset value if the bonds acquired through leverage decline in value, which will make the Fund’s net asset value more volatile, and its total return performance more variable over time. In addition, income in levered funds will typically decrease in comparison to unlevered funds when short-term interest rates increase and increase when short-term interest rates decrease. Leverage made a negative contribution to the performance of these Funds over this reporting period.

As of October 31, 2013, the Funds’ percentages of effective and regulatory leverage are shown in the accompanying table.

	NQM	NQS	NQU	NPF	NMZ
Effective Leverage*	38.89%	40.16%	39.33%	39.79%	34.46%
Regulatory Leverage*	30.71%	34.84%	35.67%	31.47%	12.33%

* Effective Leverage is a Fund’s effective economic leverage, and includes both regulatory leverage and the leverage effects of certain derivative and other investments in a Fund’s portfolio that increase the Fund’s investment exposure. Currently, the leverage effects of Tender Option Bond (TOB) inverse floater holdings are included in effective leverage values, in addition to any regulatory leverage. Regulatory leverage consists of preferred shares issued or borrowings of a Fund. Both of these are part of a Fund’s capital structure. Regulatory leverage is subject to asset coverage limits set forth in the Investment Company Act of 1940.

THE FUNDS’ REGULATORY LEVERAGE

As of October 31, 2013, the Funds have issued and outstanding Variable Rate MuniFund Term Preferred (VMTP) Shares and Variable Rate Demand Preferred (VRDP) Shares as shown in the accompanying table.

	VMTP Shares			VRDP Shares				
	Series		Shares Issued at Liquidation Value	Series		Shares Issued at Liquidation Value		Total
NQM	—	$	—	1	$	236,800,000	$	236,800,000
NQS	—	$	—	1	$	267,500,000	$	267,500,000
NQU	—	$	—	1	$	428,400,000	$	428,400,000
NPF	—	$	—	1	$	127,700,000	$	127,700,000
NMZ	2016	$	51,000,000		$	—		

2016-1**	$	36,000,000			
	$	87,000,000		$	87,000,000

** VMTP Shares at liquidation value were issued in connection with the reorganization.

Fund Leverage (continued)

During the current reporting period NMZ issued $51 million ($100,000 liquidation value per share) of VMTP Shares as a new form of leverage. Proceeds from the issuance of VMTP Shares were used to pay the Fund's outstanding balance on its borrowings as described below. VMTP Shares were offered only to qualified institutional buyers, pursuant to Rule 144A under the Securities Act of 1933.

During the current reporting period, NQM, NQS and NQU issued an additional $25 million, $15 million and $40 million, ($100,000 liquidation value per share), respectively, of Series 1 VRDP through private negotiated offerings.

Refer to Notes to Financial Statements, Note 1 – General Information and Significant Accounting Policies for further details on VMTP and VRDP Shares.

Bank Borrowings

As described above, NMZ previously employed regulatory leverage through the use of bank borrowings. During the current reporting period, NMZ terminated its borrowings with the custodian bank and paid the full outstanding balance, including accrued interest and fees. Refer to Notes to Financial Statements, Note 8 — Borrowing Arrangements for further details on the Fund's bank borrowings.

Common Share Information

COMMON SHARE DIVIDEND INFORMATION

During the current reporting period ended October 31, 2013, the Funds' monthly dividends to common shareholders were as shown in the accompanying table.

	Per Common Share Amounts				
	NQM	NQS	NQU	NPF	NMZ
November	$ 0.0840	$ 0.0800	$ 0.0740	$ 0.0735	$ 0.0730
December	0.0800	0.0710	0.0700	0.0700	0.0730
January	0.0800	0.0710	0.0700	0.0700	0.0730
February	0.0800	0.0710	0.0700	0.0700	0.0730
March	0.0800	0.0650	0.0655	0.0700	0.0730
April	0.0800	0.0650	0.0655	0.0700	0.0730
May	0.0800	0.0650	0.0655	0.0700	0.0730
June	0.0800	0.0650	0.0655	0.0700	0.0730
July*	0.0800	0.0650	0.0655	0.0700	0.1460
August	0.0800	0.0650	0.0655	0.0700	—
September	0.0800	0.0650	0.0655	0.0700	0.0730
October	0.0800	0.0650	0.0655	0.0700	0.0730
Long-Term Capital Gain**	—	$ 0.0411	$ 0.0221	—	—
Short-Term Capital Gain**	—	—	$ 0.0051	—	—
Ordinary Income Distribution**	$ 0.0023	$ 0.0021	$ 0.0056	—	$ 0.0037
Market Yield***	7.01%	6.19%	6.22%	6.70%	7.31%
Taxable-Equivalent Yield***	9.74%	8.60%	8.64%	9.31%	10.15%

* In connection with NMZ's reorganization, the Fund declared a dividend of $0.0179 per common share with an ex-date of July 10, 2013 and a dividend of $0.0551 per common share with an ex-dividend date of July 23, 2013, each payable on September 3, 2013. These distributions were in addition to the Fund's monthly tax-free dividend of $0.0730 with an ex-dividend date of July 10, 2013, payable on August 1, 2013.

** Distribution paid in December 2012.

*** Market Yield is based on the Fund's current annualized monthly dividend divided by the Fund's current market price as of the end of the reporting period. Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a federal income tax rate of 28.0%. When comparing a Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

All of the Funds in this report seek to pay stable dividends at rates that reflect each Fund's past results and projected future performance. During certain periods, each Fund may pay dividends at a rate that may be more or less than the amount of net investment income actually earned by the Fund during the period. If a Fund has cumulatively earned more than it has paid in dividends, it holds the excess in reserve as undistributed net investment income (UNII) as part of the Fund's NAV. Conversely, if a Fund has cumulatively paid dividends in excess of its earnings, the excess constitutes negative UNII that is likewise reflected in the Fund's NAV. Each Fund will, over time, pay all of its net investment income as dividends to shareholders. As of October 31, 2013, all of the Funds in this report had positive UNII balances for tax and financial reporting purposes.

Common Share Information (continued)

COMMON SHARE EQUITY SHELF PROGRAMS

The following Funds are authorized to issue additional common shares, through their equity shelf program. Under this program, each Fund, subject to market conditions, may raise additional capital from time to time in varying amounts and offering methods at a net price at or above each Fund's NAV per common share.

	NQM	NQS	NMZ
Additional Shares Authorized	3,500,000*	3,400,000	7,700,000

* Equity shelf program declared effective by the SEC during the current reporting period.

During the current reporting period, NQS and NMZ sold common shares through their equity shelf programs at a weighted average premium to their NAV per common share as shown in the accompanying table.

	NQS	NMZ
Common Shares Sold through Equity Shelf Program	219,105	1,730,079
Weighted Average Premium to NAV per Common Share Sold	1.38%	3.03%

Refer to Notes to Financial Statements, Note 1 - General Information and Significant Accounting Policies for further details on the Funds' equity shelf programs.

COMMON SHARE REPURCHASES

During November 2013 (subsequent to the close of this reporting period), the Nuveen Funds' Board of Directors/Trustees reauthorized the Funds' open-market share repurchase program, allowing each Fund to repurchase an aggregate of up to approximately 10% of its outstanding common shares.

As of October 31, 2013, and since the inception of the Funds' repurchase programs, the Funds have cumulatively repurchased and retired common shares as shown in the accompanying table. Since the inception of the Funds' repurchase programs, NQM, NQS, NQU and NMZ have not repurchased any of their outstanding common shares.

	NQM	NQS	NQU	NPF	NMZ
Common Shares Cumulatively Repurchased and Retired	—	—	—	202,500	—
Common Shares Authorized for Repurchase	3,595,000	3,505,000	5,440,000	1,990,000	3,015,000

During the current reporting period, the Funds did not repurchase any of their outstanding common shares.

OTHER COMMON SHARE INFORMATION

As of October 31, 2013, and during the current reporting period, the Funds' common share prices were trading at a premium/(discount) to their common share NAVs as shown in the accompanying table.

	NQM	NQS	NQU	NPF	NMZ
Common Share NAV	$ 14.85	$ 14.20	$ 14.21	$ 13.98	$ 12.36
Common Share Price	$ 13.69	$ 12.61	$ 12.64	$ 12.54	$ 11.99
Premium/(Discount) to NAV	(7.81)%	(11.20)%	(11.05)%	(10.30)%	(2.99)%

12-Month Average Premium/(Discount) to NAV	(3.98)%	(6.18)%	(7.41)%	(6.12)%	(0.46)%

Risk Considerations

Fund shares are not guaranteed or endorsed by any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation. Past performance is no guarantee of future results. Fund common shares are subject to a variety of risks, including:

Investment, Market and Price Risk. An investment in common shares is subject to investment risk, including the possible loss of the entire principal amount that you invest. Your investment in common shares represents an indirect investment in the municipal securities owned by the Funds, which generally trade in the over-the-counter markets. Shares of closed-end investment companies like these Funds frequently trade at a discount to their net asset value (NAV). Your common shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of Fund dividends and distributions.

Leverage Risk. Each Fund's use of leverage creates the possibility of higher volatility for the Fund's per share NAV, market price, distributions and returns. There is no assurance that a Fund's leveraging strategy will be successful. Certain aspects of the recently adopted Volcker Rule may limit the availability of tender option bonds, which are used by the Funds for leveraging and duration management purposes. The effects of this new Rule, expected to take effect in mid-2015, may make it more difficult for a Fund to maintain current or desired levels of leverage and may cause the Fund to incur additional expenses to maintain its leverage.

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

Issuer Credit Risk. This is the risk that a security in a Fund's portfolio will fail to make dividend or interest payments when due.

Credit Risk. An issuer of a bond held by a Fund may be unable to make interest and principal payments when due. A failure by the issuer to make such payments is called a "default". A default can cause the price of the issuer's bonds to plummet. Even if the issuer does not default, the prices of its bonds can fall if the market perceives that the risk of default is increasing.

Low-Quality Bond Risk. NMZ concentrates a large portion of its investments in low-quality municipal bonds (sometimes called "junk bonds"), which have greater credit risk and generally are less liquid and have more volatile prices than higher quality securities.

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

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

Risk Considerations (continued)

Reinvestment Risk. If market interest rates decline, income earned from a Fund's portfolio may be reinvested at rates below that of the original bond that generated the income.

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

Derivatives Strategy Risk. Derivative securities, such as calls, puts, warrants, swaps and forwards, carry risks different from, and possibly greater than, the risks associated with the underlying investments.

Below-Investment Grade Risk. Investments in securities below investment grade quality are predominantly speculative and subject to greater volatility and risk of default.

NQM

Nuveen Investment Quality Municipal Fund, Inc.
Performance Overview and Holding Summaries as of October 31, 2013

Average Annual Total Returns as of October 31, 2013

		Average Annual	
	1-Year	5-Year	10-Year
NQM at Common Share NAV	(4.91)%	10.77%	5.78%
NQM at Common Share Price	(12.30)%	12.24%	5.57%
S&P Municipal Bond Index	(1.69)%	6.63%	4.59%
Lipper General & Insured Leveraged Municipal Debt Funds Classification Average	(6.12)%	10.80%	5.51%

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares. Comparative index and Lipper return information is provided for the Fund's shares at NAV only. Indexes and Lipper averages are not available for direct investment.

Portfolio Composition1
(as a % of total investments)

Health Care	21.7%
Tax Obligation/Limited	15.3%
Transportation	11.6%
Water and Sewer	9.6%
U.S. Guaranteed	9.5%
Education and Civic Organizations	9.5%
Tax Obligation/General	8.4%
Utilities	6.4%
Other	8.0%

Credit Quality1,2,3
(as a % of total investment exposure)

AAA/U.S. Guaranteed	12.0%
AA	32.5%
A	32.1%
BBB	14.5%
BB or Lower	3.9%
N/R	3.2%

States1
(as a % of total investments)

California	17.2%
Texas	9.5%
Illinois	8.1%
Florida	6.6%
New York	5.9%
District of Columbia	5.4%

Colorado	3.9%
Ohio	2.8%
Tennessee	2.6%
Pennsylvania	2.5%
Michigan	2.5%
Minnesota	2.2%
Arizona	2.1%
Wisconsin	2.1%
Louisiana	2.1%
Missouri	1.9%
Nebraska	1.8%
New Jersey	1.6%
Other	19.2%

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1 Holdings are subject to change.

2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investors Service, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by these national rating agencies.

3 Percentages may not add to 100% due to the exclusion of other assets less liabilities from the table.

NQS

Nuveen Select Quality Municipal Fund, Inc.
Performance Overview and Holding Summaries as of October 31, 2013

Average Annual Total Returns as of October 31, 2013

	Average Annual		
	1-Year	5-Year	10-Year
NQS at Common Share NAV	(5.79)%	10.75%	5.81%
NQS at Common Share Price	(18.37)%	10.24%	5.09%
S&P Municipal Bond Index	(1.69)%	6.63%	4.59%
Lipper General & Insured Leveraged Municipal Debt Funds Classification Average	(6.12)%	10.80%	5.51%

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares. Comparative index and Lipper return information is provided for the Fund's shares at NAV only. Indexes and Lipper averages are not available for direct investment.

Portfolio Composition1
(as a % of total investments)

Health Care	19.2%
Tax Obligation/Limited	16.1%
Transportation	15.1%
Tax Obligation/General	13.2%
U.S. Guaranteed	11.2%
Utilities	8.1%
Consumer Staples	7.1%
Water and Sewer	5.0%
Other	5.0%

Credit Quality1,2,3
(as a % of total investment exposure)

AAA/U.S. Guaranteed	14.5%
AA	35.7%
A	30.9%
BBB	9.4%
BB or Lower	6.7%
N/R	1.1%

States1
(as a % of total investments)

Texas	15.4%
Illinois	13.0%
California	10.2%
Ohio	4.9%
Colorado	4.4%
Florida	4.0%

Michigan	3.8%
New York	3.4%
Indiana	2.7%
Pennsylvania	2.7%
Puerto Rico	2.5%
Massachusetts	2.4%
Arizona	2.4%
Missouri	2.2%
New Jersey	2.1%
South Carolina	2.0%
District of Columbia	1.9%
Other	20.0%

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3 Percentages may not add to 100% due to the exclusion of other assets less liabilities from the table.

NQU

Nuveen Quality Income Municipal Fund, Inc.
Performance Overview and Holding Summaries as of October 31, 2013

Average Annual Total Returns as of October 31, 2013

	Average Annual		
	1-Year	5-Year	10-Year
NQU at Common Share NAV	(7.07)%	8.81%	5.42%
NQU at Common Share Price	(15.18)%	8.33%	4.99%
S&P Municipal Bond Index	(1.69)%	6.63%	4.59%
Lipper General & Insured Leveraged Municipal Debt Funds Classification Average	(6.12)%	10.80%	5.51%

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares. Comparative index and Lipper return information is provided for the Fund's shares at NAV only. Indexes and Lipper averages are not available for direct investment.

Portfolio Composition1
(as a % of total investments)

Health Care	20.1%
Transportation	18.8%
Tax Obligation/Limited	17.6%
Tax Obligation/General	13.2%
U.S. Guaranteed	6.7%
Utilities	6.6%
Consumer Staples	6.2%
Education and Civic Organizations	5.1%
Other	5.7%

Credit Quality1,2,3
(as a % of total investment exposure)

AAA/U.S. Guaranteed	13.3%
AA	35.1%
A	32.6%
BBB	10.4%
BB or Lower	6.6%
N/R	0.9%

States1
(as a % of total investments)

California	13.8%
Illinois	10.9%
Texas	9.4%
New York	8.2%
Colorado	5.0%
Puerto Rico	4.7%
Michigan	4.0%

Ohio	3.9%
Pennsylvania	2.6%
Georgia	2.5%
South Carolina	2.2%
New Jersey	2.2%
Indiana	2.2%
Massachusetts	2.1%
Virginia	2.1%
Missouri	2.1%
Nevada	1.9%
North Carolina	1.9%
Other	18.3%

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3 Percentages may not add to 100% due to the exclusion of other assets less liabilities from the table.

NPF

Nuveen Premier Municipal Income Fund, Inc.
Performance Overview and Holding Summaries as of October 31, 2013

Average Annual Total Returns as of October 31, 2013

		Average Annual	
	1-Year	5-Year	10-Year
NPF at Common Share NAV	(5.48)%	9.97%	4.99%
NPF at Common Share Price	(13.84)%	11.24%	4.56%
S&P Municipal Bond Index	(1.69)%	6.63%	4.59%
Lipper General & Insured Leveraged Municipal Debt Funds Classification Average	(6.12)%	10.80%	5.51%

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares. Comparative index and Lipper return information is provided for the Fund's shares at NAV only. Indexes and Lipper averages are not available for direct investment.

Portfolio Composition1
(as a % of total investments)

Tax Obligation/Limited	19.5%
Transportation	14.8%
Health Care	14.3%
U.S. Guaranteed	12.0%
Utilities	9.5%
Water and Sewer	9.4%
Tax Obligation/General	8.0%
Other	12.5%

Credit Quality1,2,3
(as a % of total investment exposure)

AAA/U.S. Guaranteed	13.1%
AA	32.5%
A	34.4%
BBB	10.1%
BB or Lower	7.7%
N/R	1.0%

States1
(as a % of total investments)

California	13.7%
Illinois	12.4%
New York	7.9%
Colorado	5.8%
Texas	5.0%
Louisiana	4.5%
Michigan	4.1%

New Jersey	3.6%
Ohio	3.1%
South Carolina	3.1%
North Carolina	2.9%
Massachusetts	2.7%
Arizona	2.6%
Indiana	2.6%
Minnesota	2.4%
Utah	1.7%
Kansas	1.6%
Pennsylvania	1.5%
Other	18.8%

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3 Percentages may not add to 100% due to the exclusion of other assets less liabilities from the table.

NMZ

Nuveen Municipal High Income Opportunity Fund
Performance Overview and Holding Summaries as of October 31, 2013

Average Annual Total Returns as of October 31, 2013

	Average Annual		
	1-Year	5-Year	Since Inception1
NMZ at Common Share NAV	(1.71)%	14.57%	6.41%
NMZ at Common Share Price	(9.71)%	10.40%	5.35%
S&P Municipal Bond High Yield Index	(1.06)%	10.08%	5.63%
Lipper High-Yield Municipal Debt Funds Classification Average	(3.37)%	11.53%	6.44%

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares. Comparative index and Lipper return information is provided for the Fund's shares at NAV only. Indexes and Lipper averages are not available for direct investment.

Portfolio Composition2,5
(as a % of total investments)

Tax Obligation/Limited	23.4%
Health Care	17.4%
Education and Civic Organizations	14.6%
Transportation	7.9%
Industrials	5.9%
Utilities	5.7%
Housing/Multifamily	5.4%
Other	19.7%

Credit Quality2,3,4
(as a % of total investment exposure)

AAA/U.S. Guaranteed	0.6%
AA	27.3%
A	14.3%
BBB	12.4%
BB or Lower	13.5%
N/R	31.0%

States2,5
(as a % of total investments)

California	13.3%
Florida	12.7%
Illinois	8.3%
Texas	8.3%
Colorado	6.8%
Arizona	5.3%

Wisconsin	3.0%
Ohio	2.9%
Indiana	2.9%
Louisiana	2.8%
Michigan	2.7%
Washington	2.4%
New Jersey	2.1%
New York	1.9%
Missouri	1.8%
Pennsylvania	1.8%
Utah	1.7%
Other	19.3%

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1 Since inception returns are from 11/19/03.

2 Holdings are subject to change.

3 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investors Service, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by these national rating agencies.

4 Percentages may not add to 100% due to the exclusion of other assets less liabilities from the table.

5 Excluding investments in derivatives.

NQM
NQS
NQU

Shareholder Meeting Report

The annual meeting of shareholders was held in the offices of Nuveen Investments on August 7, 2013 for NQM, NQS, NQU and NPF; at this meeting the shareholders were asked to vote on the election of Board Members. The annual meeting of shareholders was held in the offices of Nuveen Investments on May 16, 2013 for NMZ and NMD; at this meeting the shareholders were asked to vote on the election of Board Members, to approve a Plan of Reorganization and to approve the Issuance of Additional Common Shares. The meeting for NMZ and NMD was subsequently adjourned to June 21, 2013.

	NQM		NQS		NQU	
	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares voting together as a class
To approve an Agreement and Plan of Reorganization.						
For	—	—	—	—	—	—
Against	—	—	—	—	—	—
Abstain	—	—	—	—	—	—
Broker Non Vote	—	—	—	—	—	—
Total	—	—	—	—	—	—
To approve the issuance of additional common shares in connection with each Reorganization.						
For	—	—	—	—	—	—
Against	—	—	—	—	—	—
Abstain	—	—	—	—	—	—
Broker Non Vote	—	—	—	—	—	—
Total	—	—	—	—	—	—
Approval of the Board Members was reached as follows:						
John P. Amboian						
For	28,506,423	—	28,315,432	—	45,401,866	—
Withhold	628,168	—	1,264,079	—	1,841,680	—
Total	29,134,591	—	29,579,511	—	47,243,546	—
Robert P. Bremner						
For	28,495,342	—	28,275,492	—	45,371,113	—
Withhold	639,249	—	1,304,019	—	1,872,433	—
Total	29,134,591	—	29,579,511	—	47,243,546	—
Jack B. Evans						
For	28,510,086	—	28,312,083	—	45,394,652	—
Withhold	624,505	—	1,267,428	—	1,848,894	—
Total	29,134,591	—	29,579,511	—	47,243,546	—

William C. Hunter						
For	—	1,598	—	1,813	—	3,597
Withhold	—	370	—	362	—	687
Total	—	1,968	—	2,175	—	4,284
David J. Kundert						
For	28,495,728	—	28,281,714	—	45,352,881	—
Withhold	638,863	—	1,297,797	—	1,890,665	—
Total	29,134,591	—	29,579,511	—	47,243,546	—
William J. Schneider						
For	—	1,598	—	1,813	—	3,597
Withhold	—	370	—	362	—	687
Total	—	1,968	—	2,175	—	4,284
Judith M. Stockdale						
For	28,439,136	—	28,303,909	—	45,255,325	—
Withhold	695,455	—	1,275,602	—	1,988,221	—
Total	29,134,591	—	29,579,511	—	47,243,546	—
Carole E. Stone						
For	28,458,673	—	28,304,995	—	45,254,898	—
Withhold	675,918	—	1,274,516	—	1,988,648	—
Total	29,134,591	—	29,579,511	—	47,243,546	—

NQM
NQS
NQU

	NQM		NQS		NQU	
	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares voting together as a class
Approval of the Board Members was reached as follows:						
Virginia L. Stringer						
For	28,461,826	—	28,305,318	—	45,319,862	—
Withhold	672,765	—	1,274,193	—	1,923,684	—
Total	29,134,591	—	29,579,511	—	47,243,546	—
Terence J. Toth						
For	28,477,513	—	28,310,149	—	45,374,952	—
Withhold	657,078	—	1,269,362	—	1,868,594	—
Total	29,134,591	—	29,579,511	—	47,243,546	—

NPF
NMZ Shareholder Meeting Report (continued)

	NPF		NMZ		
	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares	Common shares
To approve an Agreement and Plan of Reorganization.					
For	—	—	—	510	—
Against	—	—	—	—	—
Abstain	—	—	—	—	—
Broker Non Vote	—	—	—	—	—
Total	—	—	—	510	—
To approve the issuance of additional common shares in connection with each Reorganization.					
For	—	—	14,636,439	—	14,635,929
Against	—	—	1,313,419	—	1,313,419
Abstain	—	—	378,647	—	378,647
Broker Non Vote	—	—	5,271,107	—	5,271,107
Total	—	—	21,599,612	—	21,599,102
Approval of the Board Members was reached as follows:					
John P. Amboian					
For	15,844,742	—	—	—	—
Withhold	351,381	—	—	—	—
Total	16,196,123	—	—	—	—
Robert P. Bremner					
For	15,780,502	—	—	—	—
Withhold	415,621	—	—	—	—
Total	16,196,123	—	—	—	—
Jack B. Evans					
For	15,842,970	—	—		