

NUVEEN FLOATING RATE INCOME FUND
Form N-CSRS
April 05, 2018

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 811-21494
Nuveen Floating Rate Income 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)

Gifford R. Zimmerman

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: July 31

Date of reporting period: January 31, 2018

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

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information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policy making 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.

Closed-End Funds

Nuveen
Closed-End Funds

Semi-Annual Report January 31, 2018

NSL
Nuveen Senior Income Fund

JFR
Nuveen Floating Rate Income Fund

JRO
Nuveen Floating Rate Income Opportunity Fund

JSD
Nuveen Short Duration Credit Opportunities Fund

JQC
Nuveen Credit Strategies Income Fund

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If you receive your Nuveen Fund dividends and statements directly from Nuveen.

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Chairman's Letter

to Shareholders

Dear Shareholders,

Financial markets ended 2017 on a high note. Concurrent growth across the world's major economies, strong corporate profits, low inflation and accommodative central banks provided an optimal environment for rising asset prices with remarkably low volatility. Political risks, which were expected to be a wildcard in 2017, did not materialize. The Trump administration achieved one of its major policy goals with the passage of the Tax Cuts and Jobs Act, the European Union (EU) member governments elected EU-friendly leadership, Brexit negotiations moved forward and China's 19th Party Congress concluded with no major surprises in its economic policy objectives.

Conditions have turned more volatile in 2018, but the positive fundamentals underpinning the markets' rise over the past year remain intact. In early February, fears of rising inflation, which could prompt more aggressive action by the Federal Reserve (Fed), triggered a widespread sell-off across U.S. and global equity markets. Yet, global economies are still expanding and corporate earnings look healthy, which helped markets stabilize and partially recover the losses.

We do believe volatility will continue to feature more prominently in 2018. Interest rates have been rising and inflation pressures are mounting. Jerome Powell's first testimony as Fed Chairman increased the likelihood of four rate hikes in 2018, up from three projected at the end of 2017, while also emphasizing the gradual pace of rate hikes established by his predecessor will continue. Investors are uncertain about how markets will react amid tighter financial conditions. After the relative calm of the past few years, it's anticipated that price fluctuations will begin trending toward a more historically normal range. But we also note that signs foreshadowing recession are lacking at this point.

Maintaining perspective can be difficult with daily headlines focused predominantly on short-term news. Nuveen believes this can be an opportune time to check in with your financial advisor. Strong market appreciation such as that in 2017 may create an imbalance in a diversified portfolio. Your advisor can help you reexamine your investment goals and risk tolerance, and realign your portfolio's investment mix, if appropriate. 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 Board

March 22, 2018

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Portfolio Managers

Comments

Nuveen Senior Income Fund (NSL)

Nuveen Floating Rate Income Fund (JFR)

Nuveen Floating Rate Income Opportunity Fund (JRO)

Nuveen Short Duration Credit Opportunities Fund (JSD)

Nuveen Credit Strategies Income Fund (JQC)

The Funds' investment portfolios are managed by Symphony Asset Management, LLC (Symphony), an affiliate of Nuveen, LLC. Gunther Stein, who serves as the firm's Chief Investment Officer and Chief Executive Officer, and Scott Caraher manage NSL, JFR and JRO. JSD is managed by Gunther, Scott and Jenny Rhee, while JQC is managed by Gunther and Sutanto Widjaja.

Here the team discusses their management strategies and the performance of the Funds for the six-month reporting period ended January 31, 2018.

What strategies were used to manage the Funds during the six-month reporting period ended January 31, 2018?

NSL seeks to achieve a high level of current income, consistent with capital preservation by investing primarily in adjustable rate U.S dollar-denominated secured Senior Loans. The Fund invests at least 80% of its managed assets in adjustable rate senior secured loans. Up to 20% may include U.S. dollar denominated senior loans of non-U.S. borrowers, senior loans that are not secured, other debt securities and equity securities and warrants. The Fund uses leverage.

JFR seeks to achieve a high level of current income by investing in adjustable rate secured and unsecured senior loans and other debt instruments. The Fund invests at least 80% of its managed assets in adjustable rate loans, primarily senior loans, though the loans may include unsecured senior loans and secured and unsecured subordinated loans. At least 65% the Fund's managed assets must include adjustable rate senior loans that are secured by specific collateral. The Fund uses leverage.

JRO seeks to achieve a high level of current income. The Fund invests at least 80% of its managed assets in adjustable rate loans, primarily senior loans, though the loans may include unsecured senior loans and secured and unsecured

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy or sell securities, and is not provided in a fiduciary capacity. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on an investor's objectives and circumstances and in

consultation with his or her advisors.

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.

For financial reporting purposes, the ratings disclosed are the highest rating given by one of the following national rating agencies: Standard & Poor's (S&P), Moody's Investors Service, Inc. (Moody's) or Fitch, Inc. (Fitch). This treatment of split-rated securities may differ from that used for other purposes, such as for Fund investment policies. Credit ratings are subject to change. AAA, AA, A and BBB are investment grade ratings, while BB, B, CCC, CC, C and D are below investment grade ratings. Holdings designated N/R are not rated by these national rating agencies.

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this section.

Portfolio Managers Comments (continued)

subordinated loans. At least 65% of the Fund's managed assets must include adjustable rate senior loans that are secured by specific collateral. The Fund uses leverage.

JSD seeks to provide current income and the potential for capital appreciation. The Fund invests at least 70% of its managed assets in adjustable rate corporate debt instruments, including senior secured loans, second lien loans and other adjustable rate corporate debt instruments. Up to 30% of the Fund's assets may include other types of debt instruments or short positions consisting primarily of high yield debt. The Fund maintains a portfolio with an average duration that does not exceed two years. The Fund uses leverage.

JQC's primary investment objective is high current income and its secondary objective is total return. The Fund invests at least 70% of its managed assets in adjustable rate senior secured and second lien loans, and up to 30% opportunistically in other types of securities across a company's capital structure, primarily income-oriented securities such as high yield debt, convertible securities and other forms of corporate debt. The Fund uses leverage.

How did the Funds perform during this six-month reporting period ended January 31, 2018?

The tables in the Performance Overview and Holding Summaries section of this report provide total return performance for each Fund for the six-month, one-year, five-year, ten-year and/or since inception periods ended January 31, 2018. Each Fund's total returns at net asset value (NAV) are compared with the performance of a corresponding market index. For the six-month reporting period ended January 31, 2018, NSL, JFR, JRO, JSD and JQC underperformed the Credit Suisse Leveraged Loan Index.

Across all five Funds, our top and bottom performing individual security positions and industry groups were relatively similar. As a result, for NSL, JFR, JRO, JSD and JQC, the majority of sectors contributed positively to absolute performance, with the exception of the telecommunication services sector. The information technology, consumer discretionary, industrials and energy sectors were the strongest contributors to absolute performance.

Specific holdings that contributed to performance included the loans of consumer discretionary holdings, Cumulus Media, Inc. During the reporting period, the loan traded higher as the company officially filed for bankruptcy with a plan to reduce debt and give the majority of the equity in the company to senior lenders. The loans of financial service company Walter Investment Management Corporation also contributed to performance. The company announced that the United States Bankruptcy Court for the Southern District of New York approved the Company's prepackaged financial restructuring plan. The Company emerged from Chapter 11 on January 31, 2018, after the conditions to the plan were satisfied and the Company is on track to complete its financial restructuring in the first quarter of 2018. Lastly, loans of energy holdings Ocean Rig UDW Inc. and California Resources Corporation contributed to performance. The majority of energy companies posted strong earnings growth as the sector benefited from the sustained oil price recovery.

Offsetting positive returns was exposure to the loans of Fieldwood Energy LLC, an exploration & production (E&P) company focused on oil and gas assets within and around the Gulf of Mexico. The company's loans traded lower during the reporting period on increased concerns the company would file for bankruptcy. Also detracting from performance were the loans of consumer discretionary holding media company, iHeartCommunications, Inc. Its loans fell on investor anxiety over the increased uncertainty of how the company would be able to deleverage its balance sheet and focus on improving earnings. Lastly, detracting from performance was the loan from consumer staples sector holding Revlon Consumer Products Corporation, a cosmetics and personal products company. During the reporting period, the company announced disappointing quarterly earnings as well as declines in revenue, and gross

profit margins, all of which negatively impacted its credit profile. JQC held a greater allocation to the Revlon loans, which contributed to its underperformance versus the other Funds. On the positive side, the company did report higher demand in international markets.

The levered loan asset class is one of the few fixed income asset classes that has a LIBOR floor feature. In combination with a credit spread, this feature serves as the basis for establishing the loan's floating rate coupon and is intended to lessen the potential negative impact from rising short term interest rates. Over the course of the last six months the

Federal Reserve has continued to increase short-term interest rates. And a result, LIBOR is now trading well above LIBOR loan floors. More recently, the majority of new issue bank loans have been issued without LIBOR floors, so this feature is likely to play a smaller, albeit not small, factor in portfolio performance.

JSD and JQC invested in credit default swaps, which were used to provide a benefit if particular bonds credit quality worsened. These contracts provided a modest contribution to performance during the reporting period.

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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 the use of bank borrowings, Term Preferred Shares (Term Preferred) for NSL, JFR, JRO and JSD and reverse repurchase agreements for JQC. The Funds use leverage because our research has shown that, over time, leveraging provides opportunities for additional income and total return for common shareholders. However, the use of leverage also can expose common shareholders to additional volatility. For example, as the prices of securities held by a Fund decline, the negative impact of these valuation changes on common share NAV and common shareholder total return is magnified by the use of leverage. Conversely, leverage may enhance common share returns during periods when the prices of securities held by a Fund generally are rising. The Funds' use of leverage had a positive impact on performance during this reporting period.

NSL, JFR, JRO and JSD used interest rate swap contracts to partially hedge the interest cost of leverage, which as mentioned previously, is through bank borrowings and preferred shares. Collectively, these interest rate swap contracts detracted from overall Fund performance during the period.

As of January 31, 2018, the Funds' percentages of leverage are as shown in the accompanying table.

	NSL	JFR	JRO	JSD	JQC
Effective Leverage*	37.24%	36.60%	36.15%	37.41%	36.33%
Regulatory Leverage*	37.24%	36.60%	36.15%	37.41%	31.19%

*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. Regulatory leverage consists of preferred shares issued or borrowings of a Fund. Both of these are part of a Fund's capital structure. A Fund, however, may from time to time borrow on a typically transient basis in connection with its day-to-day operations, primarily in connection with the need to settle portfolio trades. Such incidental borrowings are excluded from the calculation of a Fund's effective leverage ratio. Regulatory leverage is subject to asset coverage limits set forth in the Investment Company Act of 1940.

THE FUNDS' LEVERAGE*Bank Borrowings*

As noted above, the Funds employ leverage through the use of bank borrowings. The Funds' bank borrowing activities are as shown in the accompanying table.

Fund	Current Reporting Period			Subsequent to the Close of the Reporting Period		
	August 1, 2017	Drawdowns	January 31, 2018	Average Balance Outstanding	Drawdowns	March 26, 2018
NSL	\$ 114,000,000	\$	\$ 114,000,000	\$ 114,000,000	\$	\$ 114,000,000

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JFR	\$ 254,300,000	\$	\$	\$ 254,300,000	\$ 254,300,000	\$	\$	\$ 254,300,000
JRO	\$ 178,800,000	\$	\$	\$ 178,800,000	\$ 178,800,000	\$	\$	\$ 178,800,000
JSD	\$ 72,000,000	\$	\$	\$ 72,000,000	\$ 72,000,000	\$	\$	\$ 72,000,000
JQC	\$ 561,000,000	\$	\$	\$ 561,000,000	\$ 561,000,000	\$	\$	\$ 561,000,000

Refer to Notes to Financial Statements, Note 9 Fund Leverage, Borrowings for further details.

Reverse Repurchase Agreements

As noted previously, in addition to bank borrowings, JQC also utilized reverse repurchase agreements. The Fund's transactions in reverse repurchase agreements are as shown in the accompanying table.

Current Reporting Period				Subsequent to the Close of the Reporting Period			
		Average Balance					
August 1, 2017	Purchases	Sales	January 31, 2018	Outstanding	Purchases	Sales	March 26, 2018
\$145,000,000	\$	\$	\$145,000,000	\$145,000,000	\$	\$	\$145,000,000

Refer to Notes to Financial Statements, Note 9 Fund Leverage, Reverse Repurchase Agreements for further details.

Term Preferred Shares

As noted previously, in addition to bank borrowings, the following Funds also issued Term Preferred. The Funds' transactions in Term Preferred are as shown in the accompanying table.

Fund	Current Reporting Period			Subsequent to the Close of the Reporting Period				
	August 1, 2017	Issuance	Redemptions	January 31, 2018	Average Balance Outstanding	Issuance	Redemptions	March 26, 2018
NSL	\$ 43,000,000	\$	\$	\$ 43,000,000	\$ 43,000,000	\$	\$	\$ 43,000,000
JFR	\$ 125,200,000	\$	\$	\$ 125,200,000	\$ 125,200,000	\$	\$	\$ 125,200,000
JRO	\$ 84,000,000	\$	\$	\$ 84,000,000	\$ 84,000,000	\$	\$	\$ 84,000,000
JSD	\$ 35,000,000	\$	\$	\$ 35,000,000	\$ 35,000,000	\$	\$	\$ 35,000,000

Refer to Notes to Financial Statements, Note 4 Fund Shares, Preferred Shares for further details on Term Preferred.

Common Share**Information****COMMON SHARE DISTRIBUTION INFORMATION**

The following information regarding the Funds' distributions is current as of January 31, 2018. Each Fund's distribution levels may vary over time based on each Fund's investment activity and portfolio investment value changes.

During the current reporting period, each Fund's distributions to common shareholders were as shown in the accompanying table.

Monthly Distributions (Ex-Dividend Date)	Per Common Share Amounts				
	NSL	JFR	JRO	JSD	JQC
August 2017	\$ 0.0395	\$ 0.0675	\$ 0.0705	\$ 0.1060	\$ 0.0525
September	0.0395	0.0675	0.0705	0.1060	0.0475
October	0.0395	0.0675	0.0705	0.1060	0.0475
November	0.0395	0.0675	0.0705	0.1060	0.0475
December	0.0395	0.0675	0.0705	0.1060	0.0475
January 2018	0.0395	0.0675	0.0705	0.1060	0.0475
Total Monthly Per Share Distributions	0.2370	0.4050	0.4230	0.6360	0.2900
Ordinary Income Distribution*				0.0364	
Total Distributions from Net Investment Income	\$ 0.2370	\$ 0.4050	\$ 0.4230	\$ 0.6724	\$ 0.2900
Current Distribution Rate**	7.37%	7.30%	7.66%	7.64%	7.04%

*Distribution paid in December 2017.

**Current distribution rate is based on the Fund's current annualized monthly distribution divided by the Fund's current market price. The Fund's monthly distributions to its shareholders may be comprised of ordinary income, net realized capital gains and, if at the end of the fiscal year the Fund's cumulative net ordinary income and net realized gains are less than the amount of the Fund's distributions, a return of capital for tax purposes.

Each Fund in this report seeks to pay regular monthly dividends out of its net investment income at a rate that reflects its past and projected net income performance. To permit each Fund to maintain a more stable monthly dividend, the Fund may pay dividends at a rate that may be more or less than the amount of net income actually earned by the Fund during the period. If a Fund has cumulatively earned more than it has paid in dividends, it will hold the excess in reserve as undistributed net investment income (UNII) as part of the Fund's net asset value. Conversely, if a Fund has cumulatively paid in dividends more than it has earned, the excess will constitute a negative UNII that will likewise be reflected in the Fund's net asset value. Each Fund will, over time, pay all its net investment income as dividends to shareholders.

As of January 31, 2018, the Funds had positive UNII balances, based upon our best estimate, for tax purposes. NSL had a positive UNII balance while JFR, JRO, JSD and JQC had negative UNII balances for financial reporting purposes.

All monthly dividends paid by each Fund during the current reporting period were paid from net investment income. If a portion of the Fund's monthly distributions was sourced from or comprised of elements other than net investment

income, including capital gains and/or a return of capital, shareholders would have received a notice to that effect. For financial reporting purposes, the composition and per share amounts of each Fund's dividends for the reporting period are presented in this report's Statement of Changes in Net Assets and Financial Highlights, respectively. For income tax purposes, distribution information for each Fund as of its most recent tax year end is presented in Note 6 Income Tax Information within the Notes to Financial Statements of this report.

COMMON SHARE EQUITY SHELF PROGRAMS

During the current reporting period, the following Funds were authorized by the Securities and Exchange Commission to issue additional common shares through an equity shelf program (Shelf Offering). Under these programs, the Funds, 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. The total amount of common shares authorized under these Shelf Offerings are as shown in the accompanying table.

	NSL	JFR	JRO	JSD
Additional authorized common shares	8,800,000*	12,900,000	8,500,000	1,000,000*

*Represents additional authorized common shares for the period August 1, 2017 through December 8, 2017.

During the current reporting period, the following Funds sold common shares through their Shelf Offerings at a weighted average premium to their NAV per common share as shown in the accompanying table.

	JFR	JRO
Common shares sold through shelf offering	452,068	783,600
Weighted average premium to NAV per common share sold	1.38%	1.71%

Refer to Notes to Financial Statements, Note 4 Fund Shares, Common Shares Equity Shelf Programs and Offering Costs for further details of Shelf Offerings and each Fund's respective transactions.

COMMON SHARE REPURCHASES

During August 2017, the Funds' Board of Trustees reauthorized an open-market share repurchase program, allowing each Fund to repurchase an aggregate of up to approximately 10% of its outstanding shares.

As of January 31, 2018, and since the inception of the Funds' repurchase programs, the Funds have cumulatively repurchased and retired their outstanding common shares as shown in the accompanying table.

	NSL	JFR	JRO	JSD	JQC
Common shares cumulatively repurchased and retired	5,000	147,593	19,400		4,804,500
Common shares authorized for repurchase	3,860,000	5,645,000	3,975,000	1,010,000	13,575,000

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

OTHER COMMON SHARE INFORMATION

As of January 31, 2018, 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.

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	NSL	JFR	JRO	JSD	JQC
Common share NAV	\$6.85	\$11.55	\$11.44	\$17.73	\$9.11
Common share price	\$6.43	\$11.09	\$11.05	\$16.64	\$8.10
Premium/(Discount) to NAV	(6.13)%	(3.98)%	(3.41)%	(6.15)%	(11.09)%
6-month average premium/(discount) to NAV	(4.00)%	(1.25)%	(0.63)%	(3.69)%	(9.05)%

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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.

Nuveen Senior Income Fund (NSL)

Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee the Fund's investment objectives will be achieved. Closed-end fund shares may frequently trade at a discount or premium to their net asset value. **Adjustable Rate Senior Loans** may not be fully secured by collateral, generally do not trade on exchanges, and are typically issued by unrated or below-investment grade companies, and therefore are subject to greater liquidity and credit risk. **Lower credit** debt securities may be more likely to fail to make timely interest or principal payments. **Leverage** increases return volatility and magnifies the Fund's potential return and its risks; there is no guarantee a fund's leverage strategy will be successful. These and other risk considerations such as **interest rate risk** are described in more detail on the Fund's web page at www.nuveen.com/NSL.

Nuveen Floating Rate Income Fund (JFR)

Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee the Fund's investment objectives will be achieved. Closed-end fund shares may frequently trade at a discount or premium to their net asset value. **Adjustable Rate Senior Loans** may not be fully secured by collateral, generally do not trade on exchanges, and are typically issued by unrated or below-investment grade companies, and therefore are subject to greater liquidity and credit risk. **Lower credit** debt securities may be more likely to fail to make timely interest or principal payments. **Leverage** increases return volatility and magnifies the Fund's potential return and its risks; there is no guarantee a fund's leverage strategy will be successful. These and other risk considerations such as **interest rate risk** are described in more detail on the Fund's web page at www.nuveen.com/JFR.

Nuveen Floating Rate Income Opportunity Fund (JRO)

Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee the Fund's investment objectives will be achieved. Closed-end fund shares may frequently trade at a discount or premium to their net asset value. **Adjustable Rate Senior Loans** may not be fully secured by collateral, generally do not trade on exchanges, and are typically issued by unrated or below-investment grade companies, and therefore are subject to greater liquidity and credit risk. **Lower credit** debt securities may be more likely to fail to make timely interest or principal payments. **Leverage** increases return volatility and magnifies the Fund's potential return and its risks; there is no guarantee a fund's leverage strategy will be successful. These and other risk considerations such as **interest rate risk** are described in more detail on the Fund's web page at www.nuveen.com/JRO.

Nuveen Short Duration Credit Opportunities Fund (JSD)

Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee the Fund's investment objectives will be achieved. Closed-end fund shares may frequently trade at a discount or premium to their net asset value. **Adjustable Rate Senior Loans** may not be fully secured by collateral, generally do not trade on exchanges, and are typically issued by unrated or below-investment grade companies, and therefore are subject to greater liquidity and credit risk. **Lower credit** debt securities may be more likely to fail to make timely interest or principal payments. **Leverage** increases return volatility and magnifies the Fund's potential return and its risks; there is no guarantee a

fund's leverage strategy will be successful. These and other risk considerations such as **interest rate risk** are described in more detail on the Fund's web page at www.nuveen.com/JSD.

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Nuveen Credit Strategies Income Fund (JQC)

Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee the Fund's investment objectives will be achieved. Closed-end fund shares may frequently trade at a discount or premium to their net asset value. **Adjustable Rate Senior Loans** may not be fully secured by collateral, generally do not trade on exchanges, and are typically issued by unrated or below-investment grade companies, and therefore are subject to greater liquidity and credit risk. **Lower credit** debt securities may be more likely to fail to make timely interest or principal payments. **Common stock** prices have often experienced significant volatility. **Leverage** increases return volatility and magnifies the Fund's potential return and its risks; there is no guarantee a fund's leverage strategy will be successful. These and other risk considerations such as **interest rate risk** are described in more detail on the Fund's web page at www.nuveen.com/JQC.

NSL

Nuveen Senior Income Fund**Performance Overview and Holding Summaries as of January 31, 2018**

Refer to Glossary of Terms Used in this Report for further definition of the terms used within this section.

Average Annual Total Returns as of January 31, 2018

	Cumulative 6-Month	1-Year	Average Annual	
			5-Year	10-Year
NSL at Common Share NAV	1.72%	4.92%	4.98%	6.64%
NSL at Common Share Price	(2.41)%	(0.48)%	2.92%	6.63%
Credit Suisse Leveraged Loan Index	2.54%	4.81%	4.32%	5.01%

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. Returns at NAV are net of Fund expenses, and assume reinvestment of distributions. Comparative index return information is provided for the Fund's shares at NAV only. Indexes are not available for direct investment.

Common Share Price Performance Weekly Closing Price

This data relates to the securities held in the Fund's portfolio of investments as of the end of the reporting period. It should not be construed as a measure of performance for the Fund itself. Holdings are subject to change.

For financial reporting purposes, the ratings disclosed 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. This treatment of split-rated securities may differ from that used for other purposes, such as for Fund investment policies. 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. Holdings designated N/R are not rated by these national rating agencies.

Fund Allocation

(% of net assets)

Variable Rate Senior Loan Interests	131.2%
Corporate Bonds	18.3%
Common Stocks	2.6%
Warrants	0.0%
\$25 Par (or similar) Retail Preferred	0.0%
Investment Companies	7.0%
Other Assets Less Liabilities	(0.0)%
Net Assets Plus Borrowings and Term Preferred Shares, net of deferred offering costs	159.1%
Borrowings	(43.1)%
Term Preferred Shares, net of deferred offering costs	(16.0)%
Net Assets	100%

Top Five Issuers

(% of total long-term investments)

Dell International LLC	3.2%
Albertson's LLC	3.2%
IntelSat Limited	3.1%
Sprint Corporation	2.5%
Western Digital Corporation	2.1%

Portfolio Composition

(% of total investments)

Media	11.1%
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Software	10.0%
Diversified Telecommunication Services	8.2%
Hotels, Restaurants & Leisure	7.0%
Technology Hardware, Storage & Peripherals	5.3%
Health Care Providers & Services	4.1%
Oil, Gas & Consumable Fuels	3.7%
Wireless Telecommunication Services	3.7%
Food & Staples Retailing	3.4%
IT Services	2.7%
Commercial Services & Supplies	2.7%
Food Products	2.3%
Aerospace & Defense	2.0%
Diversified Consumer Services	1.8%
Equity Real Estate Investment Trusts	1.8%
Airlines	1.5%
Transportation Infrastructure	1.4%
Professional Services	1.4%
Semiconductors & Semiconductor Equipment	1.3%
Health Care Equipment & Supplies	1.2%
Other	19.0%
Investment Companies	4.4%
Total	100%

Portfolio Credit Quality

(% of total long-term fixed income investments)

BBB	13.1%
BB or Lower	85.6%
N/R (not rated)	1.3%
Total	100%

JFR**Nuveen Floating Rate Income Fund****Performance Overview and Holding Summaries as of January 31, 2018**

Refer to Glossary of Terms Used in this Report for further definition of the terms used within this section.

Average Annual Total Returns as of January 31, 2018

	Cumulative 6-Month	1-Year	Average Annual	
			5-Year	10-Year
JFR at Common Share NAV	1.70%	4.97%	5.09%	6.58%
JFR at Common Share Price	(2.86)%	(1.29)%	3.97%	7.30%
Credit Suisse Leveraged Loan Index	2.54%	4.81%	4.32%	5.01%

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. Returns at NAV are net of Fund expenses, and assume reinvestment of distributions. Comparative index return information is provided for the Fund's shares at NAV only. Indexes are not available for direct investment.

Common Share Price Performance Weekly Closing Price

This data relates to the securities held in the Fund's portfolio of investments as of the end of the reporting period. It should not be construed as a measure of performance for the Fund itself. Holdings are subject to change.

For financial reporting purposes, the ratings disclosed 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. This treatment of split-rated securities may differ from that used for other purposes, such as for Fund investment policies. 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. Holdings designated N/R are not rated by these national rating agencies.

Fund Allocation

(% of net assets)

Variable Rate Senior Loan Interests	124.8%
Corporate Bonds	18.9%
Common Stocks	2.3%
Asset-Backed Securities	2.0%
Long-Term Investment Companies	1.7%
Convertible Bonds	0.0%
Warrants	0.0%
\$25 Par (or similar) Retail Preferred	0.0%
Short-Term Investment Companies	8.1%
Other Assets Less Liabilities	(0.3)%
Net Assets Plus Borrowings and Term Preferred Shares, net of deferred offering costs	157.5%
Borrowings	(38.7)%
Term Preferred Shares, net of deferred offering costs	(18.8)%
Net Assets	100%

Top Five Issuers

(% of total long-term investments)

Albertson's LLC	3.1%
Dell International LLC	2.9%
IntelSat Limited	2.7%
Sprint Corporation	2.4%
iHeartCommunications, Inc.	2.1%

Portfolio Composition

(% of total investments)

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Media	11.1%
Software	9.1%
Hotels, Restaurants & Leisure	7.6%
Diversified Telecommunication Services	7.5%
Technology Hardware, Storage & Peripherals	4.7%
Health Care Providers & Services	4.2%
Wireless Telecommunication Services	4.2%
Food & Staples Retailing	3.2%
Oil, Gas & Consumable Fuels	3.1%
IT Services	2.5%
Commercial Services & Supplies	2.4%
Food Products	2.4%
Equity Real Estate Investment Trusts	1.9%
Aerospace & Defense	1.5%
Diversified Consumer Services	1.4%
Insurance	1.2%
Airlines	1.2%
Transportation Infrastructure	1.2%
Semiconductors & Semiconductor Equipment	1.2%
Professional Services	1.2%
Other	19.7%
Asset-Backed Securities	1.3%
Investment Companies	6.2%
Total	100%

Portfolio Credit Quality

(% of total long-term fixed income investments)

BBB	13.7%
BB or Lower	83.8%
N/R (not rated)	2.5%
Total	100%

JRO**Nuveen Floating Rate Income Opportunity Fund****Performance Overview and Holding Summaries as of January 31, 2018**

Refer to Glossary of Terms Used in this Report for further definition of the terms used within this section.

Average Annual Total Returns as of January 31, 2018

	Cumulative 6-Month	1-Year	Average Annual	
			5-Year	10-Year
JRO at Common Share NAV	1.52%	4.87%	5.33%	7.18%
JRO at Common Share Price	(3.36)%	(2.22)%	3.53%	7.76%
Credit Suisse Leveraged Loan Index	2.54%	4.81%	4.32%	5.01%

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. Returns at NAV are net of Fund expenses, and assume reinvestment of distributions. Comparative index return information is provided for the Fund's shares at NAV only. Indexes are not available for direct investment.

Common Share Price Performance Weekly Closing Price

This data relates to the securities held in the Fund's portfolio of investments as of the end of the reporting period. It should not be construed as a measure of performance for the Fund itself. Holdings are subject to change.

For financial reporting purposes, the ratings disclosed 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. This treatment of split-rated securities may differ from that used for other purposes, such as for Fund investment policies. 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. Holdings designated N/R are not rated by these national rating agencies.

Fund Allocation

(% of net assets)

Variable Rate Senior Loan Interests	125.9%
Corporate Bonds	18.9%
Common Stocks	2.7%
Asset-Backed Securities	1.5%
Convertible Bonds	0.0%
Warrants	0.0%
\$25 Par (or similar) Retail Preferred	0.0%
Investment Companies	7.6%
Other Assets Less Liabilities	(0.3)%
Net Assets Plus Borrowings and Term Preferred Shares, net of deferred offering costs	156.3%
Borrowings	(38.5)%
Term Preferred Shares, net of deferred offering costs	(17.8)%
Net Assets	100%

Top Five Issuers

(% of total long-term investments)

IntelSat Limited	3.0%
Dell International LLC	3.0%
Albertson's LLC	2.6%
iHeartCommunications, Inc.	2.5%
Sprint Corporation	2.2%

Portfolio Composition

(% of total investments)

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Media	11.0%
Software	10.2%
Diversified Telecommunication Services	8.0%
Hotels, Restaurants & Leisure	7.7%
Technology Hardware, Storage & Peripherals	4.7%
Health Care Providers & Services	4.1%
Wireless Telecommunication Services	3.6%
Oil, Gas & Consumable Fuels	3.3%
IT Services	2.8%
Food & Staples Retailing	2.8%
Commercial Services & Supplies	2.7%
Food Products	2.5%
Equity Real Estate Investment Trusts	2.0%
Aerospace & Defense	1.7%
Diversified Consumer Services	1.4%
Internet Software & Services	1.2%
Airlines	1.2%
Diversified Financial Services	1.2%
Transportation Infrastructure	1.2%
Professional Services	1.1%
Other	19.8%
Asset-Backed Securities	0.9%
Investment Companies	4.9%
Total	100%

Portfolio Credit Quality

(% of total long-term fixed income investments)

BBB	13.9%
BB or Lower	79.3%
N/R (not rated)	6.8%
Total	100%

JSD

Nuveen Short Duration Credit Opportunities Fund**Performance Overview and Holding Summaries as of January 31, 2018**

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this section.

Average Annual Total Returns as of January 31, 2018

	Cumulative		Average Annual	
	6-Month	1-Year	5-Year	Since Inception
JSD at Common Share NAV	1.89%	4.76%	5.05%	6.39%
JSD at Common Share Price	(2.73)%	(1.45)%	3.49%	5.05%
Credit Suisse Leveraged Loan Index	2.54%	4.81%	4.32%	4.57%

Since inception returns are from May 25, 2011. 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. Returns at NAV are net of Fund expenses, and assume reinvestment of distributions. Comparative index return information is provided for the Fund's shares at NAV only. Indexes are not available for direct investment.

Common Share Price Performance Weekly Closing Price

This data relates to the securities held in the Fund's portfolio of investments as of the end of the reporting period. It should not be construed as a measure of performance for the Fund itself. Holdings are subject to change.

For financial reporting purposes, the ratings disclosed 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. This treatment of split-rated securities may differ from that used for other purposes, such as for Fund investment policies. 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. Holdings designated N/R are not rated by these national rating agencies.

Fund Allocation

(% of net assets)

Variable Rate Senior Loan Interests	131.8%
Corporate Bonds	20.5%
Common Stocks	2.7%
Warrants	0.0%
Investment Companies	5.3%
Other Assets Less Liabilities	(0.8)%
Net Assets Plus Borrowings and Term Preferred Shares, net of deferred offering costs	159.5%
Borrowings	(40.2)%
Term Preferred Shares, net of deferred offering costs	(19.3)%
Net Assets	100%

Top Five Issuers

(% of total long-term investments)

Albertson's LLC	3.5%
IntelSat Limited	3.4%
iHeartCommunications, Inc.	2.6%
Western Digital Corporation	2.6%
Sprint Corporation	2.5%

Portfolio Composition

(% of total investments)

Software	10.0%
Media	9.6%
Diversified Telecommunication Services	8.1%

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Hotels, Restaurants & Leisure	5.4%
Technology Hardware, Storage & Peripherals	4.8%
Health Care Providers & Services	4.5%
Oil, Gas & Consumable Fuels	4.5%
Food & Staples Retailing	3.9%
IT Services	3.7%
Wireless Telecommunication Services	3.3%
Commercial Services & Supplies	3.1%
Aerospace & Defense	2.1%
Electric Utilities	1.9%
Equity Real Estate Investment Trusts	1.8%
Health Care Equipment & Supplies	1.7%
Professional Services	1.6%
Internet Software & Services	1.6%
Food Products	1.5%
Airlines	1.4%
Diversified Consumer Services	1.4%
Pharmaceuticals	1.4%
Other	19.4%
Investment Companies	3.3%
Total	100%
Portfolio Credit Quality	

(% of total long-term fixed income investments)

BBB	10.1%
BB or Lower	89.0%
N/R (not rated)	0.9%
Total	100%

JQC**Nuveen Credit Strategies Income Fund****Performance Overview and Holding Summaries as of January 31, 2018**

Refer to Glossary of Terms Used in this Report for further definition of the terms used within this section.

Average Annual Total Returns as of January 31, 2018

	Cumulative 6-Month	1-Year	Average Annual	
			5-Year	10-Year
JQC at Common Share NAV	1.00%	3.66%	4.58%	4.38%
JQC at Common Share Price	(3.49)%	(1.66)%	2.59%	5.25%
Credit Suisse Leveraged Loan Index	2.54%	4.81%	4.32%	5.01%

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. Returns at NAV are net of Fund expenses, and assume reinvestment of distributions. Comparative index return information is provided for the Fund's shares at NAV only. Indexes are not available for direct investment.

Common Share Price Performance Weekly Closing Price

This data relates to the securities held in the Fund's portfolio of investments as of the end of the reporting period. It should not be construed as a measure of performance for the Fund itself. Holdings are subject to change.

For financial reporting purposes, the ratings disclosed 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. This treatment of split-rated securities may differ from that used for other purposes, such as for Fund investment policies. 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. Holdings designated N/R are not rated by these national rating agencies.

Fund Allocation

(% of net assets)

Variable Rate Senior Loan Interests	116.8%
Corporate Bonds	23.5%
Exchange-Traded Funds	9.7%
Common Stocks	1.7%
Warrants	0.0%
Investment Companies	6.6%
Other Assets Less Liabilities	(1.3)%
Net Assets Plus Borrowings and Reverse Repurchase Agreements	157.0%
Borrowings	(45.3)%
Reverse Repurchase Agreements	(11.7)%
Net Assets	100%

Top Five Issuers

(% of total long-term investments)

PowerShares Senior Loan Portfolio	4.6%
Scientific Games Corporation	2.2%
American Airlines, Inc.	2.1%
Univar, Inc.	2.0%
Dell International LLC	2.0%

Portfolio Composition

(% of total investments)

Software	9.7%
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Media	9.2%
Hotels, Restaurants & Leisure	9.2%
Diversified Telecommunication Services	7.1%
Health Care Providers & Services	5.4%
Commercial Services & Supplies	3.2%
IT Services	3.0%
Chemicals	2.9%
Airlines	2.9%
Technology Hardware, Storage & Peripherals	2.8%
Wireless Telecommunication Services	2.7%
Food Products	2.4%
Internet Software & Services	2.3%
Equity Real Estate Investment Trusts	2.2%
Household Products	2.2%
Machinery	1.8%
Pharmaceuticals	1.8%
Other	18.9%
Exchange-Traded Funds	6.1%
Investment Companies	4.2%
Total	100%

Portfolio Credit Quality

(% of total long-term fixed income investments)

A	0.6%
BBB	10.8%
BB or Lower	87.1%
N/R (not rated)	1.5%
Total	100%

NSL

**Nuveen Senior Income Fund
Portfolio of Investments**

January 31, 2018 (Unaudited)

Principal Amount (000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Ratings (4)	Value
LONG-TERM INVESTMENTS		152.1% (95.6% of Total Investments)					
VARIABLE RATE SENIOR LOAN INTERESTS		131.2% (82.5% of Total Investments) (2)					
Aerospace & Defense		3.2% (2.0% of Total Investments)					
\$ 1,432	Sequa Corporation, Term Loan, Second Lien	10.753%	3-Month LIBOR	9.000%	4/26/22	CCC	\$ 1,463,817
4,139	Sequa Corporation, Term Loan B	6.549%	3-Month LIBOR	5.000%	11/28/21	B	4,206,014
1,948	Transdigm Inc., Term Loan E	4.323%	1-Month LIBOR	2.750%	5/14/22	Ba2	1,967,329
493	Transdigm, Inc., Term Loan F	4.365%	1-Month LIBOR	2.750%	6/09/23	Ba2	497,635
322	Transdigm, Inc., Term Loan G	4.666%	1-Month LIBOR	3.000%	8/22/24	Ba2	324,842
8,334	Total Aerospace & Defense						8,459,637
Air Freight & Logistics		0.7% (0.5% of Total Investments)					
850	PAE Holding Corporation, Term Loan B	7.124%	2-Month LIBOR	5.500%	10/20/22	B+	856,576
1,083	XPO Logistics, Inc., Refinanced Term Loan	3.958%	3-Month LIBOR	2.250%	11/01/21	BB+	1,093,013
1,933	Total Air Freight & Logistics						1,949,589
Airlines		2.4% (1.5% of Total Investments)					
1,433	American Airlines, Inc., Replacement Term Loan	3.567%	1-Month LIBOR	2.000%	6/27/20	BB+	1,440,607
1,940	American Airlines, Inc., Replacement Term Loan	3.554%	1-Month LIBOR	2.000%	10/10/21	BB+	1,949,700
2,893		3.559%	1-Month LIBOR	2.000%	12/14/23	BB+	2,906,501

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	American Airlines, Inc., Term Loan B						
6,266	Total Airlines						6,296,808
	Auto Components	0.8%	(0.5% of Total Investments)				
748	DexKo Global, Inc., Term Loan B	5.241%	3-Month LIBOR	3.500%	7/24/24	B	759,115
414	Horizon Global Corporation, Term Loan B	6.073%	1-Month LIBOR	4.500%	6/30/21	B+	415,685
995	Superior Industries International, Inc., Term Loan B	6.067%	1-Month LIBOR	4.500%	5/22/24	B1	1,014,753
2,157	Total Auto Components						2,189,553
	Automobiles	0.6%	(0.4% of Total Investments)				
1,430	Chrysler Group LLC, Term Loan	3.570%	1-Month LIBOR	2.000%	12/31/18	BBB	1,435,712
103	DexKo Global, Inc., Term Loan B, (16)	4.155%	N/A	N/A	7/24/24	B1	103,641
1,533	Total Automobiles						1,539,353
	Biotechnology	1.1%	(0.7% of Total Investments)				
2,978	Grifols, Inc., Term Loan B	3.715%	1-Week LIBOR	2.250%	1/31/25	BB	2,999,370
	Building Products	1.0%	(0.6% of Total Investments)				
2,648	Quikrete Holdings, Inc., Term Loan B	4.323%	1-Month LIBOR	2.750%	11/15/23	BB	2,665,609
	Capital Markets	0.4%	(0.2% of Total Investments)				
984	RPI Finance Trust, Term Loan B6	3.693%	3-Month LIBOR	2.000%	3/27/23	Baa2	992,062
	Chemicals	1.5%	(0.9% of Total Investments)				
683	Ineos US Finance LLC, Term Loan	3.573%	1-Month LIBOR	2.000%	4/01/24	BB+	687,390
1,595	Mineral Technologies, Inc., Term Loan B2	4.750%	N/A	N/A	5/07/21	BB+	1,624,874
1,635	Univar, Inc., Term Loan B	4.073%	1-Month LIBOR	2.500%	7/01/24	BB	1,652,321
3,913	Total Chemicals						3,964,585
	Commercial Services & Supplies	4.2%	(2.7% of Total Investments)				
743	Fort Dearborn Holding Company, Inc., Term Loan, First Lien	5.696%	2-Month LIBOR	4.000%	10/19/23	B2	745,518
2,238		6.695%	3-Month LIBOR	5.000%	4/01/21	B	2,243,118

iQor US, Inc., Term
Loan, First Lien

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Principal Amount (000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Ratings (4)	Value
Commercial Services & Supplies (continued)							
\$ 250	iQor US, Inc., Term Loan, Second Lien	10.445%	3-Month LIBOR	8.750%	4/01/22	CCC+	\$ 242,500
772	KAR Auction Services, Inc., Term Loan B5	4.250%	3-Month LIBOR	2.500%	3/09/23	Ba2	780,720
833	LSC Communications, Refinancing Term Loan	7.067%	1-Month LIBOR	5.500%	9/30/22	Ba3	839,067
1,728	Monitronics International, Inc., Term Loan B2, First Lien	7.193%	3-Month LIBOR	5.500%	9/30/22	B2	1,734,173
1,311	Protection One, Inc., Term Loan	4.323%	1-Month LIBOR	2.750%	5/02/22	BB	1,324,937
1,535	Skillsoft Corporation, Initial Term Loan, First Lien	6.323%	1-Month LIBOR	4.750%	4/28/21	B	1,506,346
983	Universal Services of America, Initial Term Loan, First Lien	5.443%	3-Month LIBOR	3.750%	7/28/22	B+	974,517
757	West Corporation, Term Loan B	5.573%	1-Month LIBOR	4.000%	10/10/24	Ba3	766,159
11,150	Total Commercial Services & Supplies						11,157,055
Communications Equipment 0.8% (0.5% of Total Investments)							
790	Colorado Buyer, Inc., Term Loan, First Lien	4.380%	3-Month LIBOR	3.000%	5/01/24	Ba3	796,733
365	Colorado Buyer, Inc., Term Loan, Second Lien	8.630%	3-Month LIBOR	7.250%	5/01/25	B3	369,028
998	Mitel US Holdings, Inc., Incremental Term Loan	5.404%	2-Month LIBOR	3.750%	9/25/23	B+	1,010,901
2,153	Total Communications Equipment						2,176,662
Containers & Packaging 0.6% (0.4% of Total Investments)							
744	Berry Global, Inc., Term Loan M	3.816%	1-Month LIBOR	2.250%	10/01/22	BBB	750,564
744	Reynolds Group Holdings, Inc., Term	4.323%	1-Month LIBOR	2.750%	2/05/23	B+	750,915

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	Loan, First Lien						
1,488	Total Containers & Packaging						1,501,479
	Construction & Engineering	0.5%	(0.3% of Total Investments)				
1,376	Traverse Midstream Partners, Term Loan B	5.850%	6-Month LIBOR	4.000%	9/21/24	B+	1,396,005
	Distributors	0.2%	(0.1% of Total Investments)				
607	American Seafoods Group LLC, Term Loan B	4.700%	3-Month LIBOR	3.250%	8/21/23	BB	610,187
	Diversified Consumer Services	2.7%	(1.7% of Total Investments)				
3,537	Cengage Learning Acquisitions, Inc., Term Loan B	5.809%	1-Month LIBOR	4.250%	6/07/23	B+	3,445,063
110	Education Management LLC, Tranche A, Term Loan, (5)	0.000%	N/A	N/A	7/02/20	N/R	30,274
248	Education Management LLC, Tranche B, Term Loan, (5)	0.000%	N/A	N/A	7/02/20	N/R	3,874
2,048	Houghton Mifflin, Term Loan B, First Lien	4.573%	1-Month LIBOR	3.000%	5/28/21	B+	1,934,942
967	Laureate Education, Inc., Term Loan B	6.067%	1-Month LIBOR	4.500%	4/26/24	B+	976,356
752	Vertiv Co., New Term Loan B	5.568%	1-Month LIBOR	4.000%	11/30/23	Ba3	761,324
7,662	Total Diversified Consumer Services						7,151,833
	Diversified Financial Services	1.3%	(0.8% of Total Investments)				
580	Freedom Mortgage Corporation, Initial Term Loan	6.956%	3-Month LIBOR	5.500%	2/23/22	B+	587,582
731	OM Group, Inc., Term Loan B	5.943%	3-Month LIBOR	4.250%	2/21/24	B	735,522
2,059	Veritas US, Inc., Term Loan B1	6.193%	3-Month LIBOR	4.500%	1/27/23	B+	2,073,675
157	Vizient, Inc., Term Loan B	4.323%	1-Month LIBOR	2.750%	2/13/23	BB	158,873
3,527	Total Diversified Financial Services						3,555,652
	Diversified Telecommunication Services	9.0%	(5.6% of Total Investments)				
1,100	CenturyLink, Inc., Initial Term Loan A, (WI/DD)	TBD	TBD	TBD	TBD	BBB	1,096,013
4,855		4.317%	1-Month LIBOR	2.750%	1/31/25	BBB	4,789,661

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CenturyLink, Inc.,
Term Loan B

741	DTI Holdings, Inc., Term Loan B, First Lien	7.022%	2-Month LIBOR	5.250%	10/02/23	B	747,802
2,938	Frontier Communications Corporation, Term Loan B	5.330%	1-Month LIBOR	3.750%	1/14/20	BB	2,886,450

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NSL Nuveen Senior Income Fund
Portfolio of Investments (continued)

January 31, 2018 (Unaudited)

Principal Amount (000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Rating (4)	Value
Diversified Telecommunication Services							
(continued)							
\$ 2,475	Greeneden U.S. Holdings II LLC, Term Loan B	5.443%	3-Month LIBOR	3.750%	12/01/23	B	\$ 2,496,732
1,542	Intelsat Jackson Holdings, S.A., Term Loan B	5.212%	3-Month LIBOR	3.750%	11/30/23	B1	1,532,964
236	Intelsat Jackson Holdings, S.A., Term Loan B4	6.195%	3-Month LIBOR	4.500%	1/02/24	B1	239,953
378	Intelsat Jackson Holdings, S.A., Term Loan B5	6.625%	N/A	N/A	1/02/24	B1	381,277
1,552	Level 3 Financing, Inc., Tranche B, Term Loan	3.696%	3-Month LIBOR	2.250%	2/22/24	BBB	1,560,954
2,388	WideOpenWest Finance LLC, Term Loan B	4.811%	1-Month LIBOR	3.250%	8/18/23	B	2,392,357
669	Windstream Corporation, Term Loan B6	5.560%	1-Month LIBOR	4.000%	3/29/21	BB	635,634
5,000	Ziggo B.V., Term Loan E	4.059%	1-Month LIBOR	2.500%	4/15/25	BB	5,003,125
23,874	Total Diversified Telecommunication Services						23,762,922
Electric Utilities 1.7% (1.1% of Total Investments)							
445	EFS Cogen Holdings LLC, Term Loan B	4.950%	3-Month LIBOR	3.250%	6/28/23	BB	449,805
1,747	Energy Future Intermediate Holding Company, DIP Term Loan	4.567%	1-Month LIBOR	3.000%	6/30/18	Ba3	1,754,968
462	Helix Generation, Term Loan B	5.443%	3-Month LIBOR	3.750%	6/03/24	BB	467,361
286	Vistra Operations Co., Term Loan C	4.064%	1-Month LIBOR	2.500%	8/04/23	BB+	288,240
1,612	Vistra Operations Co., Term Loan B	4.064%	1-Month LIBOR	2.500%	8/04/23	BB+	1,626,538
4,552	Total Electric						4,586,912

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Utilities

Electrical Equipment 0.6% (0.4% of Total Investments)

721	TTM Technologies, Term Loan B	4.073%	1-Month LIBOR	2.500%	9/28/24	BBB	725,209
766	Zebra Technologies Corporation, Term Loan B	3.753%	3-Month LIBOR	2.000%	10/24/21	BB	772,116
1,487	Total Electrical Equipment						1,497,325

Energy Equipment & Services 0.1% (0.1% of Total Investments)

367	Dynamic Energy Services International LLC, Term Loan, (cash 13.383%, PIK 1.500%)	14.883%	3-Month LIBOR	13.500%	3/06/18	N/R	130,258
208	Ocean Rig UDW Inc., Term Loan	8.000%	N/A	N/A	9/20/24	Caa1	211,342
575	Total Energy Equipment & Services						341,600

Equity Real Estate Investment Trusts 2.8% (1.8% of Total Investments)

3,269	Communications Sales & Leasing, Inc., Shortfall Term Loan	4.573%	1-Month LIBOR	3.000%	10/24/22	B+	3,156,794
996	Realogy Group LLC, Term Loan B	3.829%	1-Month LIBOR	2.250%	1/26/25	BB+	1,005,376
3,267	Walter Investment Management Corporation, Tranche B, Term Loan, First Lien, (5)	5.323%	1-Month LIBOR	3.750%	12/18/20	Caa2	3,257,662
7,532	Total Equity Real Estate Investment Trusts						7,419,832

Food & Staples Retailing 5.4% (3.4% of Total Investments)

951	Albertson's LLC, Term Loan B6	4.462%	3-Month LIBOR	3.000%	6/22/23	BB	946,472
11,943	Albertson's LLC, Term Loan B4	4.323%	1-Month LIBOR	2.750%	8/25/21	BB	11,893,324
797	BJ's Wholesale Club, Inc., Term Loan B, First Lien	4.953%	2-Month LIBOR	3.500%	2/03/24	B	797,238
665	Save-A-Lot, Term Loan B	7.573%	1-Month LIBOR	6.000%	12/05/23	B2	576,570
14,356	Total Food &						14,213,604

Staples Retailing

Food Products 3.6% (2.3% of Total Investments)

965	Hearthside Group Holdings LLC, Term Loan B	4.573%	1-Month LIBOR	3.000%	6/02/21	B1	972,541
2,291	Jacobs Douwe Egberts, Term Loan B	3.688%	3-Month LIBOR	2.250%	7/04/22	BB	2,312,717
566	Keurig Green Mountain, Inc., Term Loan A, First Lien	3.000%	1-Week LIBOR	1.500%	3/03/21	BB+	565,492
495	Pinnacle Foods Finance LLC, Term Loan B	3.564%	1-Month LIBOR	2.000%	2/02/24	BB+	499,977

Principal Amount (000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Rating (4)	Value
Food Products (continued)							
\$ 5,043	US Foods, Inc., Term Loan B	4.073%	1-Month LIBOR	2.500%	6/27/23	BB	\$ 5,101,023
9,360	Total Food Products						9,451,750
Health Care Equipment & Supplies 2.0% (1.2% of Total Investments)							
950	Acelity, Term Loan B	4.943%	3-Month LIBOR	3.250%	2/02/24	B1	952,809
561	Ardent Medical Services, Inc., Term Loan B, First Lien	7.073%	1-Month LIBOR	5.500%	8/04/21	B1	562,237
434	ConvaTec, Inc., Term Loan B	3.943%	3-Month LIBOR	2.250%	10/25/23	BB	439,037
832	Greatbatch, New Term Loan B	4.810%	1-Month LIBOR	3.250%	10/27/22	B+	841,773
1,489	Onex Carestream Finance LP, Term Loan, First Lien	5.693%	3-Month LIBOR	4.000%	6/07/19	B1	1,496,045
929	Onex Carestream Finance LP, Term Loan, Second Lien	10.193%	3-Month LIBOR	8.500%	12/07/19	B	922,140
5,195	Total Health Care Equipment & Supplies						5,214,041
Health Care Providers & Services 5.0% (3.2% of Total Investments)							
1,750	Air Medical Group Holdings, Inc., Term Loan B, (WI/DD)	TBD	TBD	TBD	TBD	B1	1,773,406
1,492	Air Medical Group Holdings, Inc., Term Loan, First Lien	5.675%	3-Month LIBOR	4.000%	4/28/22	B1	1,507,177
314	Community Health Systems, Inc., Term Loan G	4.229%	3-Month LIBOR	2.750%	12/31/19	Ba3	310,420
559	Community Health Systems, Inc., Term Loan H	4.479%	3-Month LIBOR	3.000%	1/27/21	Ba3	549,823
949	Concentra, Inc., Term Loan B	4.530%	3-Month LIBOR	3.000%	6/01/22	B+	960,098
1,120	Envision Healthcare Corporation, Term Loan B, First Lien	4.580%	1-Month LIBOR	3.000%	12/01/23	BB	1,126,225
760	Healogics, Inc., Term Loan, First Lien	5.750%	3-Month LIBOR	4.250%	7/01/21	B	673,820
1,520	Heartland Dental Care, Inc., Term Loan, First Lien	6.450%	3-Month LIBOR	4.750%	7/31/23	B2	1,547,217

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500	Heartland Dental Care, Inc., Term Loan, Second Lien	10.070%	1-Month LIBOR	8.500%	7/31/24	CCC	507,190
1,916	Millennium Laboratories, Inc., Term Loan B, First Lien	8.073%	1-Month LIBOR	6.500%	12/21/20	CCC+	768,982
880	MultiPlan, Inc., Term Loan B	4.693%	3-Month LIBOR	3.000%	6/07/23	B+	887,491
750	PharMerica, Term Loan, First Lien	5.055%	1-Month LIBOR	3.500%	12/06/24	B	758,670
196	Quorum Health Corp., Term Loan B	8.323%	1-Month LIBOR	6.750%	4/29/22	B2	200,248
1,686	Select Medical Corporation, Tranche B, Term Loan	5.210%	2-Month LIBOR	3.500%	3/01/21	Ba2	1,705,239
14,392	Total Health Care Providers & Services						13,276,006
	Health Care Technology Investments)	1.6%	(1.0% of Total				
1,127	Catalent Pharma Solutions, Inc., Term Loan B	3.823%	1-Month LIBOR	2.250%	5/20/24	BB	1,136,025
2,977	Emdeon, Inc., Term Loan	4.323%	1-Month LIBOR	2.750%	3/01/24	Ba3	2,999,831
4,104	Total Health Care Technology						4,135,856
	Hotels, Restaurants & Leisure	9.8%	(6.2% of Total Investments)				
750	Aramark Corporation, Term Loan B1	3.573%	1-Month LIBOR	2.000%	3/11/25	BBB	757,343
4,625	Burger King Corporation, Term Loan B3	3.870%	1-Month LIBOR	2.250%	2/16/24	Ba3	4,657,712
1,413	Caesars Entertainment Operating Company, Inc., Term Loan B	4.073%	1-Month LIBOR	2.500%	10/07/24	BB	1,423,493
2,000	Caesars Resort Collection, Term Loan, First Lien	4.323%	1-Month LIBOR	2.750%	12/23/24	BB	2,026,130
1,786	CCM Merger, Inc., Term Loan B	4.319%	1-Month LIBOR	2.750%	8/09/21	BB	1,804,124
2,190	CityCenter Holdings LLC, Term Loan B	4.073%	1-Month LIBOR	2.500%	4/18/24	BB	2,210,549
2,778	Hilton Hotels Corporation, Term Loan B2	3.561%	1-Month LIBOR	2.000%	10/25/23	BBB	2,801,925
2,218	Intrawest Resorts Holdings, Inc., Term Loan B1	4.823%	1-Month LIBOR	3.250%	7/31/24	B	2,239,673
1,463	Life Time Fitness, Inc., Term Loan B	4.228%	3-Month LIBOR	2.750%	6/10/22	BB	1,476,013

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1,081	MGM Growth Properties, Term Loan B	3.823%	1-Month LIBOR	2.250%	4/25/23	BB+	1,090,012
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NUVEEN 27

NSL Nuveen Senior Income Fund
Portfolio of Investments (continued)

January 31, 2018 (Unaudited)

Principal Amount (000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Rating (4)	Value
Hotels, Restaurants & Leisure (continued)							
\$ 2,877	Scientific Games Corporation, Term Loan B4	4.823%	1-Month LIBOR	3.250%	8/14/24	B+	\$ 2,899,042
891	Seaworld Parks and Entertainment, Inc., Term Loan B5	4.693%	3-Month LIBOR	3.000%	4/01/24	B	890,783
1,735	Station Casino LLC, Term Loan B	4.070%	1-Month LIBOR	2.500%	6/08/23	BB	1,747,012
25,807	Total Hotels, Restaurants & Leisure						26,023,811
Household Products 0.9% (0.6% of Total Investments)							
2,207	Revlon Consumer Products Corporation, Term Loan B, First Lien, (DD1)	5.073%	1-Month LIBOR	3.500%	11/16/20	B1	1,752,354
763	Serta Simmons Holdings LLC, Term Loan, First Lien	5.130%	3-Month LIBOR	3.500%	11/08/23	B	749,439
2,970	Total Household Products						2,501,793
Independent Power & Renewable Electricity Producers 0.2% (0.1% of Total Investments)							
539	Dynegy, Inc., Tranche Term Loan C2	4.311%	1-Month LIBOR	2.750%	2/07/24	BB	545,488
Industrial Conglomerates 1.8% (1.1% of Total Investments)							
1,913	Brand Energy & Infrastructure Services, Inc., Term Loan B, First Lien	5.996%	2-Month LIBOR	4.250%	6/16/24	B	1,939,802
750	Education Advisory Board, Term Loan, First Lien	5.484%	3-Month LIBOR	3.750%	11/15/24	B	756,098
1,191	Foresight Energy LLC, Term Loan, First Lien	7.443%	3-Month LIBOR	5.750%	3/28/22	B	1,155,419
623	Robertshaw US Holding Corp., Term Loan, First Lien	6.125%	2-Month LIBOR	4.500%	8/02/24	B1	628,893
250	Robertshaw US Holding Corp., Term Loan, Second Lien	10.563%	1-Month LIBOR	9.000%	2/04/25	CCC+	253,750

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4,727 Total Industrial Conglomerates 4,733,962

Insurance 1.8% (1.2% of Total Investments)

496	Acrisure LLC, Term Loan B	5.991%	3-Month LIBOR	4.250%	11/22/23	B	505,561
2,281	Alliant Holdings I LLC, Term Loan B	4.817%	1-Month LIBOR	3.250%	8/14/22	B	2,301,119
2,064	Hub International Holdings, Inc., Initial Term Loan	4.413%	3-Month LIBOR	3.000%	10/02/20	B1	2,081,067
4,841	Total Insurance						4,887,747

Internet and Direct Marketing Retail 0.5% (0.3% of Total Investments)

1,360	Travelport LLC, Term Loan B	4.166%	3-Month LIBOR	2.750%	8/31/21	B+	1,367,288
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Internet Software & Services 1.7% (1.1% of Total Investments)

982	Ancestry.com, Inc., Term Loan, First Lien	4.830%	1-Month LIBOR	3.250%	10/19/23	B	991,716
953	Rackspace Hosting, Inc., Refinancing Term B Loan, First Lien	4.385%	3-Month LIBOR	3.000%	11/03/23	BB	962,227
1,109	Sabre, Inc., Term Loan B	3.823%	1-Month LIBOR	2.250%	2/22/24	Ba2	1,117,686
1,109	SkillSoft Corporation, Term Loan, Second Lien	9.823%	1-Month LIBOR	8.250%	4/28/22	CCC	1,004,015
440	TierPoint LLC, Term Loan, First Lien	5.323%	1-Month LIBOR	3.750%	5/05/24	B+	443,713
4,593	Total Internet Software & Services						4,519,357

IT Services 4.3% (2.7% of Total Investments)

621	Computer Sciences Government Services, Term Loan B	3.693%	3-Month LIBOR	2.000%	11/30/23	BB+	625,110
750	DigiCert, Term Loan, First Lien	6.522%	3-Month LIBOR	4.750%	10/31/24	B+	763,500
593	Engility Corporation, Term Loan B2	4.823%	1-Month LIBOR	3.250%	8/11/23	BB	600,476
1,374	First Data Corporation, Term Loan, First Lien	3.810%	1-Month LIBOR	2.250%	7/10/22	BB	1,385,268
3,712	First Data Corporation, Term Loan, First Lien	3.810%	1-Month LIBOR	2.250%	4/26/24	BB	3,743,210
685	Gartner, Inc., Term Loan A	3.573%	1-Month LIBOR	2.000%	3/21/22	BB+	687,424
496	Gartner, Inc., Term Loan B	3.573%	1-Month LIBOR	2.000%	4/05/24	BB+	501,213
390	PEAK 10, Inc., Term Loan B	5.193%	3-Month LIBOR	3.500%	8/01/24	B	392,046

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35	PEAK 10, Inc., Term Loan, Second Lien	8.627%	3-Month LIBOR	7.250%	8/01/25	CCC+	35,339
1,244	Tempo Acquisition LLC, Term Loan B	4.573%	1-Month LIBOR	3.000%	5/01/24	B1	1,251,268

28 NUVEEN

Principal Amount (000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Rating (4)	Value
IT Services (continued)							
\$ 750	Vantiv, Inc., Term Loan B	3.559%	1-Month LIBOR	2.000%	8/07/24	BBB	\$ 755,989
739	WEX, Inc., Term Loan B	3.823%	1-Month LIBOR	2.250%	7/01/23	BB	748,675
11,389	Total IT Services						11,489,518
Leisure Products 1.2% (0.7% of Total Investments)							
1,029	24 Hour Fitness Worldwide, Inc., Term Loan B	5.443%	3-Month LIBOR	3.750%	5/28/21	Ba3	1,038,934
598	Academy, Ltd., Term Loan B	5.546%	1-Month LIBOR	4.000%	7/01/22	B3	483,645
1,001	Equinox Holdings, Inc., Term Loan B1	4.573%	1-Month LIBOR	3.000%	3/08/24	B+	1,012,724
495	Four Seasons Holdings, Inc., Term Loan B	4.073%	1-Month LIBOR	2.500%	11/30/23	BB	500,158
3,123	Total Leisure Products						3,035,461
Life Sciences Tools & Services 0.1% (0.1% of Total Investments)							
378	Inventiv Health, Inc., Term Loan B	3.823%	1-Month LIBOR	2.250%	8/01/24	Ba2	379,917
Machinery 1.2% (0.8% of Total Investments)							
1,347	Gardner Denver, Inc., Term Loan B	4.443%	3-Month LIBOR	2.750%	7/30/24	B+	1,355,932
842	Gates Global LLC, Term Loan B	4.693%	3-Month LIBOR	2.750%	4/01/24	B+	849,743
750	Navistar, Inc., Tranche B, Term Loan	5.060%	1-Month LIBOR	3.500%	11/06/24	Ba3	757,815
208	Rexnord LLC/ RBS Global, Inc., Term Loan, First Lien	3.810%	1-Month LIBOR	2.250%	8/21/24	BB+	209,943
3,147	Total Machinery						3,173,433
Marine 0.2% (0.1% of Total Investments)							
684	American Commercial Lines LLC, Term Loan B, First Lien	10.323%	1-Month LIBOR	8.750%	11/12/20	B	412,658
Media 13.5% (8.5% of Total Investments)							
1,258	Advantage Sales & Marketing, Inc.,	5.017%	2-Month LIBOR	3.250%	7/23/21	B1	1,245,330

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Term Loan, First Lien							
993	Affinion Group Holdings, Inc., Term Loan, First Lien	9.160%	3-Month LIBOR	7.750%	5/10/22	B2	1,029,098
1,996	Catalina Marketing Corporation, Term Loan, First Lien	5.073%	1-Month LIBOR	3.500%	4/09/21	B1	1,620,367
1,000	Catalina Marketing Corporation, Term Loan, Second Lien	8.323%	1-Month LIBOR	6.750%	4/11/22	Caa1	418,250
3,439	Cequel Communications LLC, Term Loan B	3.823%	1-Month LIBOR	2.250%	7/28/25	BB	3,450,443
2,955	Charter Communications Operating Holdings LLC, Term Loan B	3.580%	1-Month LIBOR	2.000%	4/30/25	BBB	2,976,010
2,500	Clear Channel Communications, Inc., Tranche D, Term Loan, (5)	8.443%	3-Month LIBOR	6.750%	1/30/19	Caa1	1,923,613
2,861	Clear Channel Communications, Inc., Term Loan E, (5)	9.193%	3-Month LIBOR	7.500%	7/30/19	Caa1	2,194,116
1,000	CSC Holdings LLC, Term Loan B	4.139%	3-Month LIBOR	2.500%	1/12/26	BB	1,008,755
5,305	Cumulus Media, Inc., Term Loan B, (5)	4.830%	1-Month LIBOR	3.250%	12/23/20	N/R	4,584,388
1,277	Getty Images, Inc., Term Loan B, First Lien	5.193%	3-Month LIBOR	3.500%	10/18/19	B3	1,214,536
443	Gray Television, Inc., Term Loan B2	3.814%	1-Month LIBOR	2.250%	2/07/24	BB	446,770
965	IMG Worldwide, Inc., Term Loan, First Lien	4.830%	1-Month LIBOR	3.250%	5/06/21	B+	973,054
424	Lions Gate Entertainment Corp., Term Loan B	3.817%	1-Month LIBOR	2.250%	12/08/23	Ba2	428,993
1,976	McGraw-Hill Education Holdings LLC, Term Loan B	5.573%	1-Month LIBOR	4.000%	5/02/22	B+	1,977,163
1,667	Meredith, Term Loan B, (WI/DD)	TBD	TBD	TBD	TBD	BB	1,687,158
249	Nexstar Broadcasting Group, Term Loan	4.068%	1-Month LIBOR	2.500%	1/17/24	BB+	250,599
1,975	Nexstar Broadcasting Group, Term Loan B	4.068%	1-Month LIBOR	2.500%	1/17/24	BB+	1,989,706
499	Red Ventures, Term Loan B	5.573%	1-Month LIBOR	4.000%	11/08/24	B+	505,358

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1,461	Springer Science & Business Media, Inc., Term Loan B13, First Lien	4.979%	3-Month LIBOR	3.500%	8/15/22	B	1,469,718
3,720	Univision Communications, Inc., Term Loan C5	4.323%	1-Month LIBOR	2.750%	3/15/24	BB	3,727,907
148	Yell Group PLC, Term Loan A2, First Lien	8.413%	3-Month LIBOR	7.000%	9/07/21	N/R	150,737

NUVEEN 29

NSL Nuveen Senior Income Fund
Portfolio of Investments (continued)

January 31, 2018 (Unaudited)

Principal Amount ('000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Rating (4)	Value
Media (continued)							
\$ 146	Yell Group PLC, Term Loan B2, First Lien	8.500%	N/A	N/A	9/07/65	N/R	\$ 383,455
38,257	Total Media						35,655,524
Metals & Mining 0.8% (0.5% of Total Investments)							
871	CanAm Construction, Inc., Term Loan B	7.067%	1-Month LIBOR	5.500%	7/01/24	B	882,596
1,105	Zekelman Industries, Term Loan B	4.408%	3-Month LIBOR	2.750%	6/14/21	BB	1,113,796
1,976	Total Metals & Mining						1,996,392
Multiline Retail 0.9% (0.5% of Total Investments)							
892	Belk, Inc., Term Loan B, First Lien	6.458%	3-Month LIBOR	4.750%	12/12/22	B2	771,473
830	Dollar Tree, Inc., Term Loan B2	4.250%	N/A	N/A	7/06/22	BBB	838,819
691	Hudson's Bay Company, Term Loan B, First Lien	4.718%	3-Month LIBOR	3.250%	9/30/22	BB	670,293
2,413	Total Multiline Retail						2,280,585
Oil, Gas & Consumable Fuels 3.4% (2.1% of Total Investments)							
1,091	BCP Renaissance Parent, Term Loan B	5.772%	3-Month LIBOR	4.000%	10/31/24	B+	1,106,138
750	California Resources Corporation, Term Loan	11.936%	1-Month LIBOR	10.375%	12/31/21	B	853,125
750	California Resources Corporation, Term Loan B	6.306%	1-Month LIBOR	4.750%	12/31/22	B	765,788
324	Crestwood Holdings LLC, Term Loan B	9.436%	3-Month LIBOR	8.000%	6/19/19	B	326,191
120	Energy and Exploration Partners, Term Loan, Second Lien, (cash 5.000%, PIK 5.000%), (5)	5.000%	N/A	N/A	5/13/22	N/R	1,805
593	Fieldwood Energy LLC, Term Loan,	4.568%	3-Month LIBOR	2.875%	10/01/18	B3	582,027

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	First Lien						
953	Fieldwood Energy LLC, Term Loan, First Lien	8.693%	3-Month LIBOR	7.000%	8/31/20	B3	919,229
447	Fieldwood Energy LLC, Term Loan, Second Lien, (5)	0.000%	N/A	N/A	9/30/20	Ca	73,803
818	Fieldwood Energy LLC, Term Loan, Second Lien, (5)	0.000%	N/A	N/A	9/30/20	Caa3	536,513
1,731	Harvey Gulf International Marine, Inc., Term Loan B, (5)	0.000%	N/A	N/A	6/18/20	CCC	806,902
831	Peabody Energy Corporation, Term Loan B	5.073%	1-Month LIBOR	3.500%	3/31/22	Ba3	843,204
2,489	Seadrill Partners LLC, Initial Term Loan, (DD1)	4.693%	3-Month LIBOR	3.000%	2/21/21	CCC+	2,198,804
27	Southcross Holdings Borrower L.P., Term Loan B, First Lien, (cash 3.500%, PIK 5.500%)	3.500%	N/A	N/A	4/13/23	CCC+	26,474
10,924	Total Oil, Gas & Consumable Fuels						9,040,003
	Pharmaceuticals 1.7% (1.1% of Total Investments)						
1,350	Concordia Healthcare Corporation, Term Loan B, First Lien	5.823%	1-Month LIBOR	4.250%	10/21/21	Caa2	1,168,575
3,222	Pharmaceutical Product Development, Inc., Term Loan, First Lien	4.387%	1-Month LIBOR	2.750%	8/18/22	Ba3	3,248,948
41	Valeant Pharmaceuticals International, Inc., Term Loan B	5.060%	1-Month LIBOR	3.500%	4/01/22	BB	41,296
4,613	Total Pharmaceuticals						4,458,819
	Professional Services 2.2% (1.4% of Total Investments)						
1,106	Ceridian Corporation, Term Loan B2	5.067%	1-Month LIBOR	3.500%	9/15/20	Ba3	1,114,447
1,269	Nielsen Finance LLC, Term Loan B4	3.553%	1-Month LIBOR	2.000%	10/04/23	BBB	1,278,452
3,318	Formula One Group, Term Loan B	4.074%	1-Month LIBOR	2.500%	2/01/24	B+	3,337,225
5,693	Total Professional Services						5,730,124

Real Estate Management & Development 0.7% (0.4% of Total Investments)

1,832	Capital Automotive LP, Term Loan, Second Lien	7.573%	1-Month LIBOR	6.000%	3/24/25	B3	1,877,929
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Road & Rail 0.4% (0.2% of Total Investments)

980	Quality Distribution, Incremental Term Loan, First Lien	7.193%	3-Month LIBOR	5.500%	8/18/22	B2	992,250
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Principal Amount (000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Rating (4)	Value
Semiconductors & Semiconductor Equipment 1.8% (1.1% of Total Investments)							
\$ 710	Cypress Semiconductor Corp, Term Loan B	4.320%	1-Month LIBOR	2.750%	7/05/21	BB	\$ 719,141
985	Micron Technology, Inc., Term Loan B	3.580%	1-Month LIBOR	2.000%	4/26/22	Baa2	994,338
1,040	Microsemi Corporation, Term Loan B	3.561%	1-Month LIBOR	2.000%	1/15/23	BB	1,048,691
856	Lumileds, Term Loan B	5.074%	1-Month LIBOR	4.500%	6/30/24	Ba3	865,792
1,136	On Semiconductor Corp., Term Loan B	3.573%	1-Month LIBOR	2.000%	3/31/23	Ba1	1,145,978
4,727	Total Semiconductors & Semiconductor Equipment						4,773,940
Software 13.2% (8.3% of Total Investments)							
2,600	Avaya Inc., Term Loan, First Lien	6.309%	1-Month LIBOR	4.750%	12/15/24	B	2,616,783
528	Blackboard, Inc., Term Loan B4	6.734%	3-Month LIBOR	5.000%	6/30/21	B1	519,250
3,073	BMC Software, Inc., Term Loan, First Lien	4.823%	1-Month LIBOR	3.250%	9/10/22	B+	3,093,737
2,758	Compuware Corporation, Term Loan B3	5.550%	2-Month LIBOR	4.250%	12/15/21	B	2,758,249
138	Compuware Corporation, Term Loan, Second Lien	9.820%	1-Month LIBOR	8.250%	12/15/22	B	138,515
1,596	Ellucian, Term Loan B, First Lien	4.943%	3-Month LIBOR	3.250%	9/30/22	B	1,607,277
4,792	Infor (US), Inc., Term Loan B	4.443%	3-Month LIBOR	2.750%	2/01/22	B1	4,822,841
1,260	Informatica, Term Loan B	4.943%	3-Month LIBOR	3.250%	8/05/22	B	1,268,391
990	Kronos Incorporated, Term Loan, First Lien	4.903%	3-Month LIBOR	3.500%	11/01/23	B	1,001,043
2,035	McAfee Holdings International, Inc., Term Loan, First Lien	6.067%	1-Month LIBOR	4.500%	9/30/24	B1	2,057,514
500	McAfee Holdings International, Inc., Term Loan, Second Lien	10.067%	1-Month LIBOR	8.500%	9/29/25	B	504,583
645	Micro Focus International PLC, New Term Loan	4.323%	1-Month LIBOR	2.750%	6/21/24	BB	649,054
4,355	Micro Focus International PLC,	4.323%	1-Month LIBOR	2.750%	6/21/24	BB	4,383,221

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	Term Loan B						
1,892	Micro Focus International PLC, Term Loan B2	4.073%	1-Month LIBOR	2.500%	11/19/21	BB	1,905,135
429	Misys, New Term Loan, Second Lien	8.729%	3-Month LIBOR	7.250%	6/13/25	CCC+	433,337
37	Mitchell International, Inc., Delayed Draw Term Loan, First Lien, (16)	4.814%	3-Month LIBOR	3.250%	11/29/24	B1	37,551
463	Mitchell International, Inc., Initial Term Loan, First Lien	4.943%	3-Month LIBOR	3.250%	11/29/24	B1	465,636
450	Mitchell International, Inc., Initial Term Loan, Second Lien	8.943%	3-Month LIBOR	7.250%	12/01/25	CCC	456,188
990	RP Crown Parent, LLC, Term Loan B	4.573%	1-Month LIBOR	3.000%	10/15/23	B1	998,559
1,034	SS&C Technologies, Inc./ Sunshine Acquisition II, Inc., Refinancing New Term Loan B1	3.823%	1-Month LIBOR	2.250%	7/08/22	BB+	1,041,431
16	SS&C Technologies, Inc./ Sunshine Acquisition II, Inc., Refinancing New Term Loan B2	3.823%	1-Month LIBOR	2.250%	7/08/22	BB+	16,176
3,672	Tibco Software, Inc., Term Loan, First Lien	5.070%	1-Month LIBOR	3.500%	12/04/20	B1	3,699,269
370	Vertafore, Inc., Term Loan, First Lien	4.823%	1-Month LIBOR	3.250%	6/30/23	B	374,849
34,623	Total Software						34,848,589
	Specialty Retail 1.2% (0.7% of Total Investments)						
341	Neiman Marcus Group, Inc., Term Loan, (WI/DD)	TBD	TBD	TBD	TBD	Caa1	293,648
2,704	Petco Animal Supplies, Inc., Term Loan B1	4.772%	3-Month LIBOR	3.000%	1/26/23	B1	2,059,572
848	Petsmart Inc., Term Loan B, First Lien, (DD1)	4.570%	1-Month LIBOR	3.000%	3/11/22	B1	690,436
3,893	Total Specialty Retail						3,043,656
	Technology Hardware, Storage & Peripherals 7.7% (4.9% of Total Investments)						
969	Dell Software Group, Repriced Term Loan B	7.272%	3-Month LIBOR	5.500%	10/31/22	B	992,213
1,348	Dell International LLC, Replacement Term Loan A3	3.080%	1-Month LIBOR	1.500%	12/31/18	BBB	1,348,063

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3,802	Dell International LLC, Replacement Term Loan A2	3.330%	1-Month LIBOR	1.750%	9/07/21	BBB	3,810,182
6,675	Dell International LLC, Refinancing Term Loan B	3.580%	1-Month LIBOR	2.000%	9/07/23	BBB	6,709,181
6,910	Western Digital U.S., Term Loan B3	3.561%	1-Month LIBOR	2.000%	4/29/23	Baa2	6,969,069

NUVEEN 31

NSL Nuveen Senior Income Fund
Portfolio of Investments (continued)

January 31, 2018 (Unaudited)

Principal Amount (000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Rating (4)	Value
Technology Hardware, Storage & Peripherals (continued)							
\$ 649	Conduent, Inc., Term Loan B	4.573%	1-Month LIBOR	3.000%	12/07/23	BB+	\$ 656,547
20,353	Total Technology Hardware, Storage & Peripherals						20,485,255
Transportation Infrastructure 2.3% (1.4% of Total Investments)							
4,703	Avolon, Repriced Term Loan B2	3.811%	1-Month LIBOR	2.250%	3/21/22	BBB	4,701,554
65	Ceva Group PLC, Canadian Term Loan	7.272%	3-Month LIBOR	5.500%	3/19/21	B	63,376
520	Ceva Group PLC, US Term Loan	7.272%	3-Month LIBOR	5.500%	3/19/21	B	507,004
371	Ceva Group PLC, Synthetic Letter of Credit Term Loan	6.500%	N/A	N/A	3/19/21	B	362,136
377	Ceva Group PLC, Dutch B.V., Term Loan	7.272%	3-Month LIBOR	5.500%	3/19/21	B	367,578
6,036	Total Transportation Infrastructure						6,001,648
Wireless Telecommunication Services 3.9% (2.5% of Total Investments)							
825	Asurion LLC, Term Loan B4	4.323%	1-Month LIBOR	2.750%	8/04/22	Ba3	832,759
756	Asurion LLC, Term Loan B5	4.573%	1-Month LIBOR	3.000%	11/03/23	Ba3	763,249
5,459	Sprint Corporation, Term Loan, First Lien	4.125%	1-Month LIBOR	2.500%	2/02/24	Ba2	5,479,793
1,558	Syniverse Holdings, Inc., Initial Term Loan B, First Lien	4.573%	1-Month LIBOR	3.000%	4/23/19	B	1,555,086
811	Syniverse Technologies, Inc., Tranche B, Term Loan	4.573%	1-Month LIBOR	3.000%	4/23/19	B	809,809
920	UPC Financing Partnership, Term Loan AR1, First Lien	4.059%	1-Month LIBOR	2.500%	1/15/26	BB	925,911
10,329	Total Wireless Telecommunication Services						10,366,607
\$ 354,343	Total Variable Rate Senior Loan Interests (cost \$351,455,311)						347,127,041
Principal Amount	Description (1)	Coupon	Maturity	Rating (4)	Value		

(000)

CORPORATE BONDS 18.3% (11.5% of Total Investments)						
Diversified Telecommunication Services 4.1% (2.6% of Total Investments)						
\$	840	Intelsat Connect Finance SA, 144A	12.500%	4/01/22	CCC	\$ 646,800
	3,655	IntelSat Jackson Holdings	5.500%	8/01/23	CCC+	2,869,175
	4,050	IntelSat Jackson Holdings	9.750%	7/15/25	CCC+	3,724,785
	215	IntelSat Limited	6.750%	6/01/18	CCC	210,700
	5,009	IntelSat Limited	7.750%	6/01/21	CCC	2,265,070
	3,000	IntelSat Limited	8.125%	6/01/23	CCC	1,275,000
	16,769	Total Diversified Telecommunication Services				10,991,530
Health Care Providers & Services 1.4% (0.9% of Total Investments)						
	3,500	HCA Inc.	6.500%	2/15/20	BBB	3,731,875
Hotels, Restaurants & Leisure 1.3% (0.8% of Total Investments)						
	500	Scientific Games Corporation, 144A	7.000%	1/01/22	Ba3	527,500
	2,650	Scientific Games International Inc.	10.000%	12/01/22	B	2,898,437
	3,150	Total Hotels, Restaurants & Leisure				3,425,937
Household Durables 0.5% (0.3% of Total Investments)						
	1,410	Lennar Corporation	4.125%	12/01/18	BB+	1,424,100
Media 3.8% (2.4% of Total Investments)						
	100	Charter Communications Operating LLC/ Charter Communications Operating Capital Corporation	3.579%	7/23/20	BBB	101,335
	6,533	Clear Channel Communications Inc., (5), (8)	12.000%	8/01/21	N/R	
	1,417	Dish DBS Corporation	5.125%	5/01/20	Ba3	1,440,026
	1,000	Dish DBS Corporation	5.875%	11/15/24	Ba3	948,125
	1,000	Hughes Satellite Systems Corporation	6.500%	6/15/19	BBB	1,043,790
	1,524	iHeartCommunications, Inc., 144A, (5)	11.250%	3/01/21	Caa1	1,066,800

Principal Amount					
(000)	Description (1)	Coupon	Maturity	Ratings (4)	Value
	Media (continued)				
\$ 2,122	iHeartCommunications, Inc., (5)	9.000%	12/15/19	Caa1	\$ 1,633,940
10,071	iHeartCommunications, Inc., (cash 12.000%, PIK 2.000%), (5)	14.000%	2/01/21	Ca	604,270
3,050	iHeartCommunications, Inc., (5)	9.000%	3/01/21	Caa1	2,211,250
820	Neptune Finco Corporation, 144A	10.125%	1/15/23	B2	925,063
27,637	Total Media				9,974,599
	Oil, Gas & Consumable Fuels 2.6% (1.6% of Total Investments)				
3,765	California Resources Corporation, 144A	8.000%	12/15/22	CCC+	3,150,834
400	Denbury Resources Inc.	6.375%	8/15/21	CCC	338,000
1,404	Denbury Resources Inc.	9.250%	3/31/22	B	1,439,100
400	EP Energy LLC and Everest Acquisition Finance, Inc.	9.375%	5/01/24	Caa2	339,000
1,492	FTS International Inc., 144A, (3-Month LIBOR reference rate + 7.500% spread)	8.820%	6/15/20	B+	1,514,380
7,461	Total Oil, Gas & Consumable Fuels				6,781,314
	Pharmaceuticals 0.0% (0.0% of Total Investments)				
300	Concordia Healthcare Corporation, 144A, (5)	7.000%	4/15/23	C	28,500
	Semiconductors & Semiconductor Equipment 0.3% (0.2% of Total Investments)				
761	Advanced Micro Devices, Inc.	7.500%	8/15/22	B	844,710
	Software 1.8% (1.1% of Total Investments)				
115	Avaya Inc., (8)	7.000%	4/01/19	N/R	
2,895	Avaya Inc., (8)	10.500%	3/01/21	N/R	
2,840	BMC Software Finance Inc., 144A	8.125%	7/15/21	CCC+	2,843,550
351	Boxer Parent Company Inc./BMC Software, 144A, (cash 9.000%, PIK 9.750%)	9.000%	10/15/19	CCC+	351,877
1,475	Infor Us Inc., 144A	5.750%	8/15/20	BB	1,514,014
7,676	Total Software				4,709,441
	Technology Hardware, Storage & Peripherals 0.6% (0.4% of Total Investments)				
1,475	Western Digital Corporation, 144A	7.375%	4/01/23	Baa2	1,605,906
	Wireless Telecommunication Services 1.9% (1.2% of Total Investments)				

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1,000	Sprint Capital Corporation	6.900%	5/01/19	B+	1,042,500
850	Sprint Communications Inc.	7.000%	8/15/20	B+	897,109
500	Sprint Corporation	7.875%	9/15/23	B+	528,125
2,000	Sprint Corporation	7.125%	6/15/24	B+	2,027,500
400	Syniverse Foreign Holdings Corporation, 144A	9.125%	1/15/22	B	414,500
75	T-Mobile USA Inc.	6.836%	4/28/23	BB+	78,278
4,825	Total Wireless Telecommunication Services				4,988,012
\$ 74,964	Total Corporate Bonds (cost \$56,888,580)				48,505,924

Shares	Description (1)		Value
COMMON STOCKS 2.6% (1.6% of Total Investments)			
Diversified Consumer Services 0.2% (0.1% of Total Investments)			
53,514	Cengage Learning Holdings II LP, (6)		\$ 394,666
1,562,493	Education Management Corporation, (6)		6,250
	Total Diversified Consumer Services		400,916
Energy Equipment & Services 1.0% (0.6% of Total Investments)			
39,988	C&J Energy Services Inc., (6)		1,224,432
36,361	Ocean Rig UDW Inc., (6)		978,838

NUVEEN 33

NSL Nuveen Senior Income Fund
Portfolio of Investments (continued)

January 31, 2018 (Unaudited)

Shares	Description (1)			Value
Energy Equipment & Services (continued)				
1,961	Vantage Drill International, (6)		\$	431,420
	Total Energy Equipment & Services			2,634,690
Health Care Providers & Services 0.0% (0.0% of Total Investments)				
38,382	Millenium Health LLC, (6)			4,184
Media 0.3% (0.2% of Total Investments)				
566,373	Hibu PLC, (6), (7)			1
6,268	Metro-Goldwyn-Mayer, (6)			718,733
14,825	Tribune Media Company			741
	Total Media			719,475
Oil, Gas & Consumable Fuels 0.0% (0.0% of Total Investments)				
27	Southcross Holdings Borrower LP, (6)			10,125
Software 1.0% (0.6% of Total Investments)				
132,029	Avaya Holdings Corporation, (6)			2,756,765
Specialty Retail 0.1% (0.1% of Total Investments)				
5,454	Gymboree Corporation, (6), (8)			77,413
14,849	Gymboree Corporation, (6)			252,433
	Total Specialty Retail			329,846
	Total Common Stocks (cost \$11,069,507)			6,856,001
Shares	Description (1)			Value
WARRANTS 0.0% (0.0% of Total Investments)				
11,806	Avaya Holdings Corporation, (8)		\$	12,672
	Total Warrants (cost \$1,103,821)			12,672
Shares	Description (1)	Coupon	Ratings (4)	Value
\$25 PAR (OR SIMILAR) RETAIL PREFERRED 0.0% (0.0% of Total Investments)				
Diversified Consumer Services 0.0% (0.0% of Total Investments)				
1,738	Education Management Corporation, (8)	7.500%	N/R	\$
	Total \$25 Par (or similar) Retail Preferred (cost \$4,219)			
	Total Long-Term Investments (cost \$420,521,438)			402,501,638

Shares	Description (1)	Value
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SHORT-TERM INVESTMENTS 7.0%
(4.4% of Total Investments)

INVESTMENT COMPANIES 7.0%
(4.4% of Total Investments)

18,368,074	BlackRock Liquidity Funds T-Fund Portfolio, (9)	\$ 18,368,074
	Total Short-Term Investments (cost \$18,368,074)	18,368,074
	Total Investments (cost \$438,889,512)	420,869,712
	159.1%	
	Borrowings (43.1)% (10), (11)	(114,000,000)
	Term Preferred Shares, net of deferred offering costs (16.0)% (12)	(42,310,698)
	Other Assets Less Liabilities (0.0)% (13)	(294)
	Net Assets Applicable to Common Shares	\$ 264,558,720
	100%	

Investments in Derivatives

Interest Rate Swaps OTC Uncleared

Counterparty	Fund Not/Receive Floating Rate	Floating Rate	Fixed Rate (Annualized)	Fixed Rate Payment Frequency	Maturity Date	
Morgan Stanley Capital Services LLC	\$ 43,000,000	Pay	1-Month LIBOR	2.00%(14)	Monthly	11/01/21(15) \$ (1,0

For Fund portfolio compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications into sectors for reporting ease.

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to common shares unless otherwise noted.
- (2) Senior loans generally pay interest at rates which are periodically adjusted by reference to a base short-term, floating lending rate (Reference Rate) plus an assigned fixed rate (Spread). These floating lending rates are generally (i) the lending rate referenced by the London Inter-Bank Offered Rate (LIBOR), or (ii) the prime rate offered by one or more major United States banks. Senior loans may be considered restricted in that the Fund ordinarily is contractually obligated to receive approval from the agent bank and/or borrower prior to the disposition of a senior loan. The rate shown is the coupon as of the end of the reporting period.
- (3) Senior loans generally are subject to mandatory and/or optional prepayment. Because of these mandatory prepayment conditions and because there may be significant economic incentives for a borrower to prepay, prepayments of senior loans may occur. As a result, the actual remaining maturity of senior loans held may be substantially less than the stated maturities shown.
- (4) For financial reporting purposes, the ratings disclosed are the highest of Standard & Poor's Group (Standard & Poor's), Moody's Investors Service, Inc. (Moody's) or Fitch, Inc. (Fitch) rating. This treatment of split-rated securities may differ from that used for other purposes, such as for Fund investment policies. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
- (5) As of, or subsequent to, the end of the reporting period, this security is non-income producing. Non-income producing, in the case of a fixed-income security, generally denotes that the issuer has (1) defaulted on the payment of principal or interest, (2) is under the protection of the Federal Bankruptcy Court or (3) the Fund's Adviser has concluded that the issue is not likely to meet its future interest payment obligations and has ceased accruing additional income on the Fund's records.
- (6) Non-income producing; issuer has not declared a dividend within the past twelve months.

- (7) For fair value measurement disclosure purposes, investment classified as Level 2. See Notes to Financial Statements, Note 2 Investment Valuation and Fair Value Measurements for more information.
- (8) Investment valued at fair value using methods determined in good faith by, or at the discretion of, the Board. For fair value measurement disclosure purposes, investment classified as Level 3. See Notes to Financial Statements, Note 2 Investment Valuation and Fair Value Measurements for more information.
- (9) A copy of the most recent financial statements for these investment companies can be obtained directly from the Securities and Exchange Commission on its website at the [http:// www.sec.gov](http://www.sec.gov).
- (10) Borrowings as a percentage of Total Investments is 27.1%.
- (11) The Fund segregates 100% of its eligible investments (excluding any investments separately pledged as collateral for specific investments in derivatives, when applicable) in the Portfolio of Investments as collateral for borrowings.
- (12) Term Preferred Shares, net of deferred offering costs as a percentage of Total Investments is 10.1%.
- (13) Other assets less liabilities includes the unrealized appreciation (depreciation) of certain over-the-counter (OTC) derivatives as presented on the Statement of Assets and Liabilities, when applicable. The unrealized appreciation (depreciation) of OTC cleared and exchange-traded derivatives is recognized as part of cash collateral at brokers and/or the receivable or payable for variation margin as presented on the Statement of Assets and Liabilities, when applicable.
- (14) Effective November 1, 2019, the fixed rate paid by the Fund will increase according to a predetermined schedule as specified in the swap contract. Additionally, this fixed rate increase will continue to occur every twelve months on specific dates through the swap contract s termination date.
- (15) This interest rate swap has an optional early termination date beginning on November 1, 2018 and monthly thereafter through the termination date as specified in the swap contract.
- (16) Investment, or portion of investment, represents an outstanding unfunded senior loan commitment. See Notes to Financial Statements, Note 8 Senior Loan Commitments for more information.
- 144A Investment is exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These investments may only be resold in transactions exempt from registration, which are normally those transactions with qualified institutional buyers.

DD1 Portion of investment purchased on a delayed delivery basis.

LIBOR London Inter-Bank Offered Rate

N/A Not applicable

PIK Payment-in-kind (PIK) security. Depending on the terms of the security, income may be received in the form of cash, securities, or a combination of both. The PIK rate shown, where applicable, represents the annualized rate of the last PIK payment made by the issuer as of the end of the reporting period.

TBD Senior loan purchased on a when-issued or delayed-delivery basis. Certain details associated with this purchase are not known prior to the settlement date of the transaction. In addition, senior loans typically trade without accrued interest and therefore a coupon rate is not available prior to settlement. At settlement, if still unknown, the borrower or counterparty will provide the Fund with the final coupon rate and maturity date.

WI/DD Purchased on a when-issued or delayed delivery basis.

See accompanying notes to financial statements.

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Nuveen Floating Rate Income Fund
Portfolio of Investments

January 31, 2018 (Unaudited)

Principal Amount (000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Ratings (4)	Value
LONG TERM INVESTMENTS 149.7% (94.9% of Total Investments)							
VARIABLE RATE SENIOR LOAN INTERESTS 124.8% (79.0% of Total Investments) (2)							
Aerospace & Defense 2.4% (1.5% of Total Investments)							
\$ 7,669	Sequa Corporation, Term Loan B	6.549%	3-Month LIBOR	5.000%	11/28/21	B	\$ 7,793,432
2,654	Sequa Corporation, Term Loan, Second Lien	10.753%	3-Month LIBOR	9.000%	4/26/22	CCC	2,712,343
2,921	Transdigm Inc., Term Loan E	4.323%	1-Month LIBOR	2.750%	5/14/22	Ba2	2,950,994
985	Transdigm, Inc., Term Loan F	4.365%	1-Month LIBOR	2.750%	6/09/23	Ba2	995,271
1,316	Transdigm, Inc., Term Loan G	4.666%	1-Month LIBOR	3.000%	8/22/24	Ba2	1,329,325
15,545	Total Aerospace & Defense						15,781,365
Air Freight & Logistics 0.6% (0.4% of Total Investments)							
1,700	PAE Holding Corporation, Term Loan B	7.124%	2-Month LIBOR	5.500%	10/20/22	B+	1,713,152
2,166	XPO Logistics, Inc., Refinanced Term Loan	3.958%	3-Month LIBOR	2.250%	11/01/21	BB+	2,186,026
3,866	Total Air Freight & Logistics						3,899,178
Airlines 2.0% (1.2% of Total Investments)							
3,354	American Airlines, Inc., Replacement Term Loan	3.567%	1-Month LIBOR	2.000%	6/27/20	BB+	3,371,143
4,098	American Airlines, Inc., Replacement Term Loan	3.554%	1-Month LIBOR	2.000%	10/10/21	BB+	4,118,244
5,311		3.559%	1-Month LIBOR	2.000%	12/14/23	BB+	5,335,676

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	American Airlines, Inc., Term Loan B						
12,763	Total Airlines						12,825,063
	Auto Components	0.6%	(0.4% of Total Investments)				
1,247	DexKo Global, Inc., Term Loan B	5.241%	3-Month LIBOR	3.500%	7/24/24	B	1,265,192
689	Horizon Global Corporation, Term Loan B	6.073%	1-Month LIBOR	4.500%	6/30/21	B+	692,808
1,990	Superior Industries International, Inc., Term Loan B	6.067%	1-Month LIBOR	4.500%	5/22/24	B1	2,029,506
3,926	Total Auto Components						3,987,506
	Automobiles	0.7%	(0.5% of Total Investments)				
4,588	Chrysler Group LLC, Term Loan	3.570%	1-Month LIBOR	2.000%	12/31/18	BBB	4,604,837
172	DexKo Global, Inc., Term Loan B, (20)	4.155%	N/A	N/A	7/24/24	B1	172,734
4,760	Total Automobiles						4,777,571
	Biotechnology	0.8%	(0.5% of Total Investments)				
5,459	Grifols, Inc., Term Loan B	3.715%	1-Week LIBOR	2.250%	1/31/25	BB	5,498,845
	Building Products	1.1%	(0.7% of Total Investments)				
7,296	Quikrete Holdings, Inc., Term Loan B	4.323%	1-Month LIBOR	2.750%	11/15/23	BB	7,344,627
	Capital Markets	0.3%	(0.2% of Total Investments)				
1,968	RPI Finance Trust, Term Loan B6	3.693%	3-Month LIBOR	2.000%	3/27/23	Baa2	1,984,122
	Chemicals	1.2%	(0.8% of Total Investments)				
1,218	Ineos US Finance LLC, Term Loan	3.573%	1-Month LIBOR	2.000%	4/01/24	BB+	1,225,168
2,319	Mineral Technologies, Inc., Term Loan B2	4.750%	N/A	N/A	5/07/21	BB+	2,362,336
4,421	Univar, Inc., Term Loan B	4.073%	1-Month LIBOR	2.500%	7/01/24	BB	4,468,972
7,958	Total Chemicals						8,056,476
	Commercial Services & Supplies	3.8%	(2.4% of Total Investments)				
733	ADS Waste Holdings, Inc., Term Loan B	3.715%	1-Week LIBOR	2.250%	11/10/23	BB+	739,164
1,485	Fort Dearborn Holding Company,	5.696%	2-Month LIBOR	4.000%	10/19/23	B2	1,491,037

Inc., Term Loan,
First Lien

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Principal Amount (000)	Description (1)	Coupon (2)	Reference Rate (2)	Spread (2)	Maturity (3)	Ratings (4)	Value
Commercial Services & Supplies (continued)							
\$ 4,475	iQor US, Inc., Term Loan, First Lien	6.695%	3-Month LIBOR	5.000%	4/01/21	B	\$ 4,486,236
500	iQor US, Inc., Term Loan, Second Lien	10.445%	3-Month LIBOR	8.750%	4/01/22	CCC+	485,000
1,157	KAR Auction Services, Inc., Term Loan B5	4.250%	3-Month LIBOR	2.500%	3/09/23	Ba2	1,171,081
1,458	LSC Communications, Refinancing Term Loan	7.067%	1-Month LIBOR	5.500%	9/30/22	Ba3	1,468,367
3,456	Monitronics International, Inc., Term Loan B2, First Lien	7.193%	3-Month LIBOR	5.500%	9/30/22	B2	3,468,347
3,314	Protection One, Inc., Term Loan	4.323%	1-Month LIBOR	2.750%	5/02/22	BB	3,348,942
3,268	Skillsoft Corporation, Initial Term Loan, First Lien	6.323%	1-Month LIBOR	4.750%	4/28/21	B	3,206,911
1,965	Universal Services of America, Initial Term Loan, First Lien	5.443%	3-Month LIBOR	3.750%	7/28/22	B+	1,949,034
1,750	Universal Services of America, Term Loan, Second Lien	10.272%	3-Month LIBOR	8.500%	7/28/23	B	1,741,250
1,514	West Corporation, Term Loan B	5.573%	1-Month LIBOR	4.000%	10/10/24	Ba3	1,532,318
25,075	Total Commercial Services & Supplies						25,087,687
Communications Equipment 0.7% (0.4% of Total Investments)							
1,580	Colorado Buyer, Inc., Term Loan, First Lien	4.380%	3-Month LIBOR	3.000%	5/01/24	Ba3	1,593,466
1,094	Colorado Buyer, Inc., Term Loan, Second Lien	8.630%	3-Month LIBOR	7.250%	5/01/25	B3	1,107,083
1,746	Mitel US Holdings, Inc., Incremental Term Loan	5.404%	2-Month LIBOR	3.750%	9/25/23	B+	1,769,077
4,420	Total Communications						4,469,626

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Equipment

Construction & Engineering 0.3% (0.2% of Total Investments)

1,822	Traverse Midstream Partners, Term Loan B	5.850%	6-Month LIBOR	4.000%	9/21/24	B+	1,847,815
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Containers & Packaging 0.8% (0.5% of Total Investments)

1,488	Berry Global, Inc., Term Loan M	3.816%	1-Month LIBOR	2.250%	10/01/22	BBB	1,501,128
3,822	Reynolds Group Holdings, Inc., Term Loan, First Lien	4.323%	1-Month LIBOR	2.750%	2/05/23	B+	3,855,899
5,310	Total Containers & Packaging						5,357,027

Distributors 0.2% (0.1% of Total Investments)

1,335	American Seafoods Group LLC, Term Loan B	4.700%	3-Month LIBOR	3.250%	8/21/23	BB	1,342,411
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Diversified Consumer Services 2.0% (1.3% of Total Investments)

5,813	Cengage Learning Acquisitions, Inc., Term Loan B	5.809%	1-Month LIBOR	4.250%	6/07/23	B+	5,662,255
696	Education Management LLC, Tranche A, Term Loan, (5)	0.000%	N/A	N/A	7/02/20	N/R	191,405
1,567	Education Management LLC, Tranche B, Term Loan, (5)	0.000%	N/A	N/A	7/02/20	N/R	24,494
4,095	Houghton Mifflin, Term Loan B, First Lien	4.573%	1-Month LIBOR	3.000%	5/28/21	B+	3,869,884
2,321	Laureate Education, Inc., Term Loan B	6.067%	1-Month LIBOR	4.500%	4/26/24	B+	2,343,255
1,316	Vertiv Co., New Term Loan B	5.568%	1-Month LIBOR	4.000%	11/30/23	Ba3	1,332,316
15,808	Total Diversified Consumer Services						13,423,609

Diversified Financial Services 1.7% (1.1% of Total Investments)

2,744	Citco III Limited, Term Loan	4.573%	1-Month LIBOR	3.000%	3/31/22	N/R	2,771,078
1,739	Freedom Mortgage Corporation, Initial Term Loan	6.956%	3-Month LIBOR	5.500%	2/23/22	B+	1,762,747

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1,950	OM Group, Inc., Term Loan B	5.943%	3-Month LIBOR	4.250%	2/21/24	B	1,961,392
4,117	Veritas US, Inc., Term Loan B1	6.193%	3-Month LIBOR	4.500%	1/27/23	B+	4,147,349
392	Vizient, Inc., Term Loan B	4.323%	1-Month LIBOR	2.750%	2/13/23	BB	397,182
10,942	Total Diversified Financial Services						11,039,748

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JFR Nuveen Floating Rate Income Fund
Portfolio of Investments (continued)

January 31, 2018 (Unaudited)

Principal Amount (000)	Description (1)	Coupon Rate (2)	Reference Spread (3)	Maturity Date (4)	Ratings (4)
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5. Acceptance and Rejection of Submitted Bids and Submitted Sell Orders and Allocation. Existing Holders shall continue to hold the Preferred Shares that are subject to Submitted Hold Orders, and, based on the determinations made pursuant to paragraph (a) of Section 4 of this Part II, the Submitted Bids and Submitted Sell Orders shall be accepted or rejected by the Auction Agent and the Auction Agent shall take such other action as set forth below:

(a) If Sufficient Clearing Bids for shares of a Series of Preferred Shares have been made, all Submitted Sell Orders with respect to shares of such Series shall be accepted and, subject to the provisions of paragraphs (d) and (e) of this Section 5, Submitted Bids with respect to shares of such Series shall be accepted or rejected as follows in the following order of priority and all other Submitted Bids with respect to shares of such Series shall be rejected:

(i) Existing Holders Submitted Bids for shares of such series specifying any rate that is higher than the Winning Bid Rate for shares of such Series shall be accepted, thus requiring each such Existing Holder to sell the Preferred Shares subject to such Submitted Bids;

(ii) Existing Holders Submitted Bids for shares of such series specifying any rate that is lower than the Winning Bid Rate for shares of such Series shall be rejected, thus entitling each such Existing Holder to continue to hold the Preferred Shares subject to such Submitted Bids;

(iii) Potential Holders Submitted Bids for shares of such series specifying any rate that is lower than the Winning Bid Rate for shares of such Series shall be accepted;

(iv) each Existing Holder s Submitted Bid for shares of such series specifying a rate that is equal to the Winning Bid Rate for shares of such Series shall be rejected, thus entitling such Existing Holder to continue to hold the Preferred Shares subject to such

Submitted Bid, unless the number of Outstanding Preferred Shares subject to all such Submitted Bids shall be greater than the number of Preferred Shares (remaining shares) in the excess of the Available Preferred Shares of such Series over the number of Preferred Shares subject to Submitted Bids described in clauses (ii) and (iii) of this paragraph (a), in which event such Submitted Bid of such Existing Holder shall be rejected in part, and such Existing Holder shall be entitled to continue to hold Preferred Shares subject to such Submitted Bid, but only in an amount equal to the Preferred Shares of such Series obtained by multiplying the number of remaining shares by a fraction, the numerator of which shall be the number of Outstanding Preferred Shares held by such Existing Holder subject to such Submitted Bid and the denominator of which shall be the aggregate number of Outstanding Preferred Shares subject to such Submitted Bids made by all such Existing Holders that specified a rate equal to the Winning Bid Rate for shares of such series; and

(v) each Potential Holder's Submitted Bid for shares of such series specifying a rate that is equal to the Winning Bid Rate for shares of such Series shall be accepted

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but only in an amount equal to the number of shares of such Series obtained by multiplying the number of shares in the excess of the Available Preferred Shares of such Series over the number of Preferred Shares subject to Submitted Bids described in clauses (ii) through (iv) of this paragraph (a) by a fraction, the numerator of which shall be the number of Outstanding Preferred Shares subject to such Submitted Bid and the denominator of which shall be the aggregate number of Outstanding Preferred Shares subject to such Submitted Bids made by all such Potential Holders that specified a rate equal to the Winning Bid Rate for shares of such series.

(b) If Sufficient Clearing Bids for shares of a Series of Preferred Shares have not been made (other than because all of the Outstanding shares of such series are subject to Submitted Hold Orders), subject to the provisions of paragraph (d) of this Section 5, Submitted Orders for shares of such series shall be accepted or rejected as follows in the following order of priority and all other Submitted Bids for shares of such Series shall be rejected:

(i) Existing Holders Submitted Bids for shares of such series specifying any rate that is equal to or lower than the Maximum Rate for shares of such Series shall be rejected, thus entitling such Existing Holders to continue to hold the Preferred Shares subject to such Submitted Bids;

(ii) Potential Holders Submitted Bids for shares of such series specifying any rate that is equal to or lower than the Maximum Rate for shares of such Series shall be accepted; and

(iii) each Existing Holder's Submitted Bid for shares of such series specifying any rate that is higher than the Maximum Rate for shares of such Series and the Submitted Sell Orders for shares of such Series of each Existing Holder shall be accepted, thus entitling each Existing Holder that submitted or on whose behalf was submitted any such Submitted Bid or Submitted Sell Order to sell the shares of such Series subject to such

Submitted Bid or Submitted Sell Order, but in both cases only in an amount equal to the number of shares of such Series obtained by multiplying the number of shares of such Series subject to Submitted Bids described in clause (ii) of this paragraph (b) by a fraction, the numerator of which shall be the number of Outstanding shares of such Series held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and the denominator of which shall be the aggregate number of Outstanding shares of such Series subject to all such Submitted Bids and Submitted Sell Orders.

(c) If all of the Outstanding shares of a Series of Preferred Shares are subject to Submitted Hold Orders, all Submitted Bids for shares of such Series shall be rejected.

(d) If, as a result of the procedures described in clause (iv) or (v) of paragraph (a) or clause (iii) of paragraph (b) of this Section 5, any Existing Holder would be entitled or required to sell, or any Potential Holder would be entitled or required to purchase, a fraction of a share of a Series of Preferred Shares on any Auction Date, the Auction Agent shall, in such manner as it shall determine in its sole discretion, round up or down the number of Preferred Shares of such Series to be purchased or sold by any Existing Holder or Potential Holder on such Auction Date as a result of such procedures so that the number of shares so purchased or sold by each Existing Holder or Potential Holder on such Auction Date shall be whole shares of a Series of Preferred Shares.

(e) If, as a result of the procedures described in clause (v) of paragraph (a) of this Section 5 any Potential Holder would be entitled or required to purchase less than a whole share of a Series of Preferred Shares on any Auction Date, the Auction Agent shall, in such manner as it shall

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determine in its sole discretion, allocate Preferred Shares of such Series for purchase among Potential Holders so that only whole Preferred Shares of such Series are purchased on such Auction Date as a result of such procedures by any Potential Holder, even if such allocation results in one or more Potential Holders not purchasing Preferred Shares of such Series on such Auction Date.

(f) Based on the results of each Auction for shares of a Series of Preferred Shares, the Auction Agent shall determine the aggregate number of shares of such Series to be purchased and the aggregate number of shares of such Series to be sold by Potential Holders and Existing Holders and, with respect to each Potential Holder and Existing Holder, to the extent that such aggregate number of shares to be purchased and such aggregate number of shares to be sold differ, determine to which other Potential Holder(s) or Existing Holder(s) they shall deliver, or from which other Potential Holder(s) or Existing Holder(s) they shall receive, as the case may be, Preferred Shares of such series. Notwithstanding any provision of the Auction Procedures or the Settlement Procedures to the contrary, in the event an Existing Holder or Beneficial Owner of shares of a Series of Preferred Shares with respect to whom a Broker-Dealer submitted a Bid to the Auction Agent for such shares that was accepted in whole or in part, or submitted or is deemed to have submitted a Sell Order for such shares that was accepted in whole or in part, fails to instruct its Agent Member to deliver such shares against payment therefor, partial deliveries of Preferred Shares that have been made in respect of Potential Holders or Potential Beneficial Owners Submitted Bids for shares of such Series that have been accepted in whole or in part shall constitute good delivery to such Potential Holders and Potential Beneficial Owners.

(g) Neither the Trust nor the Auction Agent nor any affiliate of either shall have any responsibility or liability with respect to the failure of an Existing Holder, a Potential Holder, a Beneficial Owner, a Potential

Beneficial Owner or its respective Agent Member to deliver Preferred Shares of any Series or to pay for Preferred Shares of any Series sold or purchased pursuant to the Auction Procedures or otherwise.

6. Transfer of Preferred Shares. Unless otherwise permitted by the Trust, a Beneficial Owner or an Existing Holder may sell, transfer or otherwise dispose of Preferred Shares only in whole shares and only pursuant to a Bid or Sell Order placed with the Auction Agent in accordance with the procedures described in this Part II or to a Broker-Dealer; provided, however, that (a) a sale, transfer or other disposition of Preferred Shares from a customer of a Broker-Dealer who is listed on the records of that Broker-Dealer as the holder of such shares to that Broker-Dealer or another customer of that Broker-Dealer shall not be deemed to be a sale, transfer or other disposition for purposes of this Section 6 if such Broker-Dealer remains the Existing Holder of the shares so sold, transferred or disposed of immediately after such sale, transfer or disposition and (b) in the case of all transfers other than pursuant to Auctions, the Broker-Dealer (or other Person, if permitted by the Trust) to whom such transfer is made shall advise the Auction Agent of such transfer.

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IN WITNESS WHEREOF, CALAMOS
CONVERTIBLE AND HIGH INCOME
FUND has caused these presents to be signed
in its name and on its behalf by its Treasurer
and witnessed by its Assistant Secretary as of
this _____ day of _____,
_____.

CALAMOS
CONVERTIBLE AND
HIGH INCOME FUND

By:

Name: Nimish Bhatt
Title: Treasurer

WITNESS:

By:

Name: Stathy Darcy
Title: Assistant Secretary

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**APPENDIX B
SUMMARY OF CERTAIN PROVISIONS
OF THE INDENTURE
AND FORM OF SUPPLEMENTAL
INDENTURE**

The following is a summary of certain provisions of the indenture (the Original Indenture) and the supplemental indenture (Supplemental Indenture) that the Fund expects to enter into in connection with the issuance of debt securities. This summary does not purport to be complete and is qualified in its entirety by reference to the indenture, a copy of which will be filed with the Commission in connection with an offering of debt securities by the Fund.

DEFINITIONS

AA Composite Commercial Paper Rate

on any date means (i) the interest equivalent of (1) the 7-day rate, in the case of a Rate Period which is 7 days or shorter, (2) the 30-day rate, in the case of a Rate Period which is a Standard Rate Period greater than 7 days but fewer than or equal to 31 days, or (3) the 180-day rate, in the case of all other Rate Periods, on financial commercial paper on behalf of issuers whose corporate bonds are rated AA by S&P, or the equivalent of such rating by another nationally recognized rating agency, as announced by the Federal Reserve Bank of New York for the close of business on the Business Day immediately preceding such date; or (ii) if the Federal Reserve Bank of New York does not make available such a rate, then the arithmetic average of the interest equivalent of such rates on financial commercial paper placed on behalf of such issuers, as quoted on a discount basis or otherwise by the Commercial Paper Dealers to the Auction Agent for the close of business on the Business Day immediately preceding such date (rounded to the next highest .001 of 1%). If any Commercial Paper Dealer does not quote a rate required to determine the AA Composite Commercial Paper Rate, such rate shall be determined on the basis of the quotations (or quotation) furnished by the remaining Commercial Paper Dealers (or Dealer), if any, or, if there are no

such Commercial Paper Dealers, a nationally recognized dealer in commercial paper of such issues then making such quotations selected by the Issuer. For purposes of this definition, (A) Commercial Paper Dealers shall mean (1) _____ and _____; (2) in lieu of any thereof, its respective Affiliate or successor; and (3) in the event that any of the foregoing shall cease to quote rates for financial commercial paper of issuers of the sort described above, in substitution therefor, a nationally recognized dealer in financial commercial paper of such issuers then making such quotations selected by the Issuer, and (B) interest equivalent of a rate stated on a discount basis for financial commercial paper of a given number of days maturity shall mean a number equal to the quotient (rounded upward to the next higher one-thousandth of 1%) of (1) such rate expressed as a decimal, divided by (2) the difference between (x) 1.00 and (y) a fraction, the numerator of which shall be the product of such rate expressed as a decimal, multiplied by the number of days in which such commercial paper shall mature and the denominator of which shall be 360.

Affiliate means any person controlled by, in control of or under common control with the Issuer; provided that no Broker-Dealer controlled by, in control of or under common control with the Issuer shall be deemed to be an Affiliate nor shall any corporation or any person controlled by, in control of or under common control with such corporation one of the directors or executive officers of which is also a Director of the Issuer be deemed to be an Affiliate solely because such director or executive officer is also a Director of the Issuer.

Agent Member means a member of or participant in the Securities Depository that will act on behalf of a Bidder.

All Hold Rate means 80% of the AA Composite Commercial Paper Rate.

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Applicable Rate means the rate determined in accordance with the procedures in Section 2.02(c)(i) of this Supplemental Indenture.

Auction means each periodic implementation of the Auction Procedures.

Auction Agent means _____ unless and until another commercial bank, trust company, or other financial institution appointed by a resolution of the Board of Directors enters into an agreement with the Issuer to follow the Auction Procedures for the purpose of determining the Applicable Rate.

Auction Agreement means the agreement between the Auction Agent and the Issuer pursuant to which the Auction Agent agrees to follow the procedures specified in Appendix B-I to this Supplemental Indenture, as such agreement may from time to time be amended or supplemented.

Auction Date means the first Business Day next preceding the first day of a Rate Period for each series of _____ Notes.

Auction Desk means the business unit of a Broker-Dealer that fulfills the responsibilities of the Broker-Dealer under a Broker-Dealer Agreement, including soliciting Bids for the _____ Notes, and units of the Broker-Dealer which are not separated by information controls appropriate to control, limit and monitor the inappropriate dissemination of information about Bids.

Auction Period means with respect to the _____ Notes, either a Standard Auction Period or a Special Auction Period, as applicable.

Auction Procedures means the procedures for conducting Auctions set forth in Appendix B-I hereto.

Auction Rate means for each series of _____ Notes for each Auction Period, (i) if Sufficient Clearing Bids exist, the Winning Bid Rate, provided, however, if all of the _____ Notes are the subject of Submitted Hold Orders, the All Hold Rate for such series of _____ Notes and (ii) if Sufficient Clearing Bids do not exist, the Maximum Rate for such series of

_____ Notes.

Authorized Denomination means \$25,000 and any integral multiple thereof.

Available _____ Notes means for each series of _____ Notes on each Auction Date, the number of Units of _____ Notes of such series that are not the subject of Submitted Hold Orders.

Beneficial Owner, with respect to each series of _____ Notes, means a customer of a Broker-Dealer who is listed on the records of that Broker-Dealer (or, if applicable, the Auction Agent) as a holder of such series of _____ Notes.

Bid shall have the meaning specified in Appendix B-I hereto.

Bidder means each Beneficial Owner, Potential Beneficial Owner and Broker Dealer who places an Order.

Board of Directors or **Board** means the Board of Directors of the Issuer or any duly authorized committee thereof as permitted by applicable law.

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Broker-Dealer means any broker-dealer or broker-dealers, or other entity permitted by law to perform the function required of a Broker-Dealer by the Auction Procedures, that has been selected by the Issuer and that is a party to a Broker-Dealer Agreement with the Auction Agent.

Broker-Dealer Agreement means an agreement between the Auction Agent and a Broker-Dealer, pursuant to which such Broker-Dealer agrees to follow the Auction Procedures.

Broker-Dealer Deadline means, with respect to an Order, the internal deadline established by the Broker-Dealer through which the Order was placed after which it will not accept Orders or any change in any Order previously placed with such Broker-Dealer; provided, however, that nothing shall prevent the Broker-Dealer from correcting Clerical Errors by the Broker-Dealer with respect to Orders from Bidders after the Broker-Dealer Deadline pursuant to the provisions herein. Any Broker-Dealer may change the time or times of its Broker-Dealer Deadline as it relates to such Broker-Dealer by giving notice not less than two Business Days prior to the date such change is to take effect to Bidders who place Orders through such Broker-Dealer.

Business Day means a day on which the New York Stock Exchange is open for trading and which is not a Saturday, Sunday or other day on which banks in the City of New York, New York are authorized or obligated by law to close, days on which the Federal Reserve Bank of New York is not open for business, days on which banking institutions or trust companies located in the state in which the operations of the Auction Agent are conducted are authorized or required to be closed by law, regulation or executive order of the state in which the Auction Agent conducts operations with respect to the _____ Notes.

Clerical Error means a clerical error in the processing of an Order, and includes, but is not limited to, the following: (i) a transmission error, including but not limited

to, an Order sent to the wrong address or number, failure to transmit certain pages or illegible transmission, (ii) failure to transmit an Order received from one or more Existing Holders or Potential Beneficial Owners (including Orders from the Broker-Dealer which were not originated by the Auction Desk) prior to the Broker-Dealer Deadline or generated by the Broker-Dealer's Auction Desk for its own account prior to the Submission Deadline or (iii) a typographical error. Determining whether an error is a Clerical Error is within the reasonable judgment of the Broker-Dealer, provided that the Broker-Dealer has a record of the correct Order that shows it was so received or so generated prior to the Broker-Dealer Deadline or the Submission Deadline, as applicable.

Code means the Internal Revenue Code of 1986, as amended.

Commercial Paper Dealers has the meaning set forth in the definition of AA Composite Commercial Paper Rate.

Commission means the Securities and Exchange Commission.

Default Rate means the Reference Rate multiplied by three (3).

Deposit Securities means cash and any obligations or securities, including short term money market instruments that are Eligible Assets, rated at least _____, _____ or _____ by _____, except that, such obligations or securities shall be considered Deposit Securities only if they are also rated at least P-2 by Moody's.

Discount Factor means the Moody's Discount Factor (if Moody's is then rating the _____ Notes), _____ Discount Factor (if _____ is then rating the _____ Notes) or an Other Rating Agency Discount Factor, whichever is applicable.

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Discounted Value means the quotient of the Market Value of an Eligible Asset divided by the applicable Discount Factor, provided that with respect to an Eligible Asset that is currently callable, Discounted Value will be equal to the quotient as calculated above or the call price, whichever is lower, and that with respect to an Eligible Asset that is prepayable, Discounted Value will be equal to the quotient as calculated above or the par value, whichever is lower.

Eligible Assets means Moody's Eligible Assets or _____'s Eligible Assets (if Moody's or _____ are then rating the _____ Notes) and/or Other Rating Agency Eligible Assets, whichever is applicable.

Error Correction Deadline means one hour after the Auction Agent completes the dissemination of the results of the Auction to Broker-Dealers without regard to the time of receipt of such results by any Broker-Dealer; provided, however, in no event shall the Error Correction Deadline extend past 4:00 p.m., New York City time unless the Auction Agent experiences technological failure or force majeure in disseminating the Auction results which causes a delay in dissemination past 3:00 p.m., New York City time.

Existing Holder, with respect to _____ Notes of a series, shall mean a Broker-Dealer (or any such other Person as may be permitted by the Issuer) that is listed on the records of the Auction Agent as a holder of _____ Notes of such series.

_____ means _____ Ratings and its successors at law.

_____ **Discount Factor** means the discount factors set forth in the _____ Guidelines for use in calculating the Discounted Value of the Issuer's assets in connection with _____'s ratings of _____ Notes.

_____ **Eligible Asset** means assets of the Issuer set forth in the _____ Guidelines as eligible for inclusion in calculating the Discounted Value of the Issuer's assets in connection with _____'s ratings of _____ Notes.

_____ **Guidelines** mean the guidelines provided by _____, as may be amended from time to time, in connection with _____'s ratings of _____ Notes.

Hold Order shall have the meaning specified in Appendix B-I hereto or an Order deemed to have been submitted as provided in paragraph (c) of Section 1 of Appendix B-I hereto.

Holder means, with respect to _____ Notes, the registered holder of notes of each series of _____ Notes as the same appears on the books or records of the Issuer.

Index means on any Auction Date with respect to _____ Notes in any Auction Period of 35 days or less the applicable LIBOR rate. The Index with respect to _____ Notes in any Auction Period of more than 35 days shall be the rate on United States Treasury Securities having a maturity which most closely approximates the length of the Auction Period as last published in The Wall Street Journal or such other source as may be mutually agreed upon by the Trustee and the Broker-Dealers. If either rate is unavailable, the Index shall be an index or rate agreed to by all Broker-Dealers and consented to by the Issuer. For the purpose of this definition an Auction Period of 35 days or less means a 35-day Auction Period or shorter Auction Period, i.e., a 35-day Auction Period which is extended because of a holiday would still be considered an Auction Period of 35 days or less.

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Interest Payment Date when used with respect to any _____ Notes, means the date on which an installment of interest on such _____ Notes shall be due and payable which generally shall be the day next following an Auction Date.

LIBOR means, for purposes of determining the Reference Rate, (i) the rate for deposits in U.S. dollars for the designated Rate Period, which appears on display page 3750 of Moneyline's Telerate Service (Telerate Page 3750) (or such other page as may replace that page on that service, or such other service as may be selected by Lehman Brothers Inc. or its successors) as of 11:00 a.m., London time, on the day that is the Business Day on the Auction Date or, if the Auction Date is not a Business Day, the Business Day preceding the Auction Date (the LIBOR Determination Date), or (ii) if such rate does not appear on Telerate Page 3750 or such other page as may replace such Telerate Page 3750, (A) _____ shall determine the arithmetic mean of the offered quotations of the reference banks to leading banks in the London interbank market for deposits in U.S. dollars for the designated Rate Period in an amount determined by _____ by reference to requests for quotations as of approximately 11:00 a.m. (London time) on such date made by _____ to the reference banks, (B) if at least two of the reference banks provide such quotations, LIBOR shall equal such arithmetic mean of such quotations, (C) if only one or none of the reference banks provide such quotations, LIBOR shall be deemed to be the arithmetic mean of the offered quotations that leading banks in The City of New York, New York selected by _____ (after obtaining the Issuer's approval) are quoting on the relevant LIBOR Determination Date for deposits in U.S. dollars for the designated Rate Period in an amount determined by _____ (after obtaining the Issuer's approval) that is representative of a single transaction in such market at such time by reference to the principal London office of leading banks in the London interbank market; provided,

however, that if _____ is not a Broker-Dealer or does not quote a rate required to determine LIBOR, LIBOR will be determined on the basis of the quotation or quotations furnished by any other Broker-Dealer selected by the Issuer to provide such rate or rates not being supplied by _____; provided further, that if _____ and/or a substitute Broker-Dealer are required but unable to determine a rate in accordance with at least one of the procedures provided above, LIBOR shall be the most recently determinable LIBOR. If the number of Rate Period days shall be (i) 7 or more but fewer than 21 days, such rate shall be the seven-day LIBOR rate; (ii) more than 21 but fewer than 49 days, such rate shall be one-month LIBOR rate; (iii) 49 or more but fewer than 77 days, such rate shall be the two-month LIBOR rate; (iv) 77 or more but fewer than 112 days, such rate shall be the three-month LIBOR rate; (v) 112 or more but fewer than 140 days, such rate shall be the four-month LIBOR rate; (vi) 140 or more but fewer than 168 days, such rate shall be the five-month LIBOR rate; (vii) 168 or more but fewer than 189 days, such rate shall be the six-month LIBOR rate; (viii) 189 or more but fewer than 217 days, such rate shall be the seven-month LIBOR rate; (ix) 217 or more but fewer than 252 days, such rate shall be the eight-month LIBOR rate; (x) 252 or more but fewer than 287 days, such rate shall be the nine-month LIBOR rate; (xi) 287 or more but fewer than 315 days, such rate shall be the ten-month LIBOR rate; (xii) 315 or more but fewer than 343 days, such rate shall be the eleven-month LIBOR rate; and (xiii) 343 or more days but fewer than 365 days, such rate shall be the twelve-month LIBOR rate.

Market Value means the market value of an asset of the Issuer determined as follows: For equity securities, the value obtained from readily available market quotations. If an equity security is not traded on an exchange or not available from a Board-approved pricing service, the value obtained from written broker-dealer quotations. For fixed-income securities, the value obtained from readily available market quotations based on the last sale price of a security on the

day the Issuer values its assets or the market value obtained from a pricing service or the value obtained from a direct written broker-dealer quotation from a dealer who has made a market in the security. Market Value for other securities will mean the value obtained pursuant to the Issuer's valuation procedures. If the market value of a security cannot be obtained, or the Issuer's investment adviser determines that the value of a security as so

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obtained does not represent the fair value of a security, fair value for that security shall be determined pursuant to the valuation procedures adopted by the Board of Directors.

Maximum Rate means, on any date on which the Applicable Rate is determined, the rate equal to the applicable percentage of the Reference Rate, subject to upward but not downward adjustment in the discretion of the Board of Directors after consultation with the Broker-Dealers, provided that immediately following any such increase the Issuer would be in compliance with the _____ Notes Basic Maintenance Amount.

Minimum Rate means, on any Auction Date with respect to a Rate Period of _____ days or fewer, 70% of the AA Composite Commercial Paper Rate at the close of business on the Business Day next preceding such Auction Date. There shall be no Minimum Rate on any Auction Date with respect to a Rate Period of more than the Standard Rate Period.

Moody's means Moody's Investors Service, Inc., a Delaware corporation, and its successors at law.

Moody's Discount Factor means the discount factors set forth in the Moody's Guidelines for use in calculating the Discounted Value of the Issuer's assets in connection with Moody's ratings of _____ Notes.

Moody's Eligible Assets means assets of the Issuer set forth in the Moody's Guidelines as eligible for inclusion in calculating the Discounted Value of the Issuer's assets in connection with Moody's ratings of _____ Notes.

Moody's Guidelines mean the guidelines provided by Moody's, as may be amended from time to time, in connection with Moody's ratings of _____ Notes.

1940 Act _____ Notes Asset Coverage means asset coverage, as determined in accordance with Section 18(h) of the Investment Company Act, of at least 300% with respect to all outstanding senior securities representing indebtedness of the Issuer, including all Outstanding _____

Notes (or such other asset coverage as may in the future be specified in or under the Investment Company Act as the minimum asset coverage for senior securities representing indebtedness of a closed-end investment company as a condition of declaring dividends on its common stock), determined on the basis of values calculated as of a time within 48 hours next preceding the time of such determination.

Notes means Securities of the Issuer ranking on a parity with the _____ Notes that may be issued from time to time pursuant to the Indenture.

Order means a Hold Order, Bid or Sell Order.

Original Issue Date means, with respect to the _____ Notes, _____.

Other Rating Agency means each rating agency, if any, other than Moody's or _____ then providing a rating for the _____ Notes pursuant to the request of the Issuer.

Other Rating Agency Discount Factor means the discount factors set forth in the Other Rating Agency Guidelines of each Other Rating Agency for use in calculating the Discounted Value of the Issuer's assets in connection with the Other Rating Agency's rating of _____ Notes.

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Other Rating Agency Eligible Assets

means assets of the Issuer set forth in the Other Rating Agency Guidelines of each Other Rating Agency as eligible for inclusion in calculating the Discounted Value of the Issuer's assets in connection with the Other Rating Agency's rating of _____ Notes.

Other Rating Agency Guidelines

mean the guidelines provided by each Other Rating Agency, as may be amended from time to time, in connection with the Other Rating Agency's rating of _____ Notes.

Outstanding or outstanding

means, as of any date, _____ Notes theretofore issued by the Issuer except, without duplication, (i) any _____ Notes theretofore canceled, redeemed or repurchased by the Issuer, or delivered to the Trustee for cancellation or with respect to which the Issuer has given notice of redemption and irrevocably deposited with the Paying Agent sufficient funds to redeem such _____ Notes and (ii) any _____ Notes represented by any certificate in lieu of which a new certificate has been executed and delivered by the Issuer. Notwithstanding the foregoing, (A) in connection with any Auction, any series of _____ Notes as to which the Issuer or any person known to the Auction Agent to be an Affiliate of the Issuer shall be the Existing Holder thereof shall be disregarded and deemed not to be Outstanding; and (B) for purposes of determining the _____ Notes Basic Maintenance Amount, _____ Notes held by the Issuer shall be disregarded and not deemed Outstanding but _____ Notes held by any Affiliate of the Issuer shall be deemed Outstanding.

Paying Agent

means _____ unless and until another entity appointed by a resolution of the Board of Directors enters into an agreement with the Issuer to serve as paying agent, transfer agent, registrar, and redemption agent with respect to the _____ Notes, which Paying Agent may be the same as the Trustee or the Auction Agent.

Person or **person** means and includes an individual, a partnership, a trust, a company, an unincorporated association, a joint venture or other entity or a government or any agency or political subdivision thereof.

Potential Beneficial Owner, with respect to a series of _____ Notes, shall mean a customer of a Broker-Dealer that is not a Beneficial Owner of _____ Notes of such series but that wishes to purchase _____ Notes of such series, or that is a Beneficial Owner of _____ Notes of such series that wishes to purchase additional _____ Notes of such series; provided, however, that for purposes of conducting an Auction, the Auction Agent may consider a Broker-Dealer acting on behalf of its customer as a Potential Beneficial Owner.

Potential Holder, with respect to _____ Notes of such series, shall mean a Broker-Dealer (or any such other person as may be permitted by the Issuer) that is not an Existing Holder of _____ Notes of such series or that is an Existing Holder of _____ Notes of such series that wishes to become the Existing Holder of additional _____ Notes of such series; provided, however, that for purposes of conducting an Auction, the Auction Agent may consider a Broker-Dealer acting on behalf of its customer as a Potential Holder.

Rate Period means, with respect to a series of _____ Notes, the period commencing on the Original Issue Date thereof and ending on the date specified for such series on the Original Issue Date thereof and thereafter, as to such series, the period commencing on the day following each Rate Period for such series and ending on the day established for such series by the Issuer.

Rating Agency means each of _____ (if _____ is then rating _____ Notes), Moody's (if Moody's is then rating _____ Notes) and any Other Rating Agency.

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Rating Agency Guidelines mean _____ Guidelines (if _____ is then rating _____ Notes), Moody's _____ Guidelines (if Moody's is then rating _____ Notes) and any Other Rating Agency Guidelines.

Redemption Date, when used with respect to any _____ Note to be redeemed, means the date fixed for such redemption by or pursuant to the Indenture.

Redemption Price, when used with respect to any _____ Note to be redeemed, means the price at which it is to be redeemed pursuant to the Indenture.

Reference Rate means, with respect to the determination of the Maximum Rate and Default Rate, the greater of (i) the applicable AA Composite Commercial Paper Rate (for a Rate Period of fewer than 184 days) or the applicable Treasury Index Rate (for a Rate Period of 184 days or more), or (ii) the applicable LIBOR Rate.

Securities Act means the Securities Act of 1933, as amended from time to time.

Securities Depository means The Depository Trust Company and its successors and assigns or any successor securities depository selected by the Issuer that agrees to follow the procedures required to be followed by such securities depository in connection with the _____ Notes Series _____.

Sell Order shall have the meaning specified in Appendix B-I hereto.

Special Auction Period means an Auction Period that is not a Standard Auction Period.

Special Rate Period means a Rate Period that is not a Standard Rate Period.

Specific Redemption Provisions means, with respect to any Special Rate Period of more than one year, either, or any combination of a period (a Non-Call Period) determined by the Board of Directors after consultation with the Broker-Dealers, during which the _____ Notes subject to such Special Rate Period are not subject to redemption at the option of the Issuer consisting of a number of whole years as determined by the Board of Directors after

consultation with the Broker-Dealers, during each year of which the _____ Notes subject to such Special Rate Period shall be redeemable at the Issuer's option and/or in connection with any mandatory redemption at a price equal to the principal amount plus accrued but unpaid interest plus a premium expressed as a percentage or percentages of \$25,000 or expressed as a formula using specified variables as determined by the Board of Directors after consultation with the Broker-Dealers.

Standard Auction Period means an Auction Period of _____ days.

Standard Rate Period means a Rate Period of _____ days.

Stated Maturity with respect to _____ Notes Series _____, shall mean _____.

Submission Deadline means 1:00 P.M., New York City time, on any Auction Date or such other time on such date as shall be specified by the Auction Agent from time to time pursuant to the Auction Agreement as the time by which the Broker-Dealers are required to submit Orders to the Auction Agent. Notwithstanding the foregoing, the Auction Agent will follow the Securities Industry and Financial Markets Association's Early Market Close Recommendations for shortened trading days for the bond markets (the SIFMA Recommendation) unless the Auction Agent is instructed otherwise in writing by the Issuer. In the event of a SIFMA Recommendation with respect to an Auction Date, the Submission Deadline will be 11:30 A.M., instead of 1:00 P.M., New York City time.

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Submitted Bid shall have the meaning specified in Appendix B-I hereto.

Submitted Hold Order shall have the meaning specified in Appendix B-I hereto.

Submitted Order shall have the meaning specified in Appendix B-I hereto.

Submitted Sell Order shall have the meaning specified in Appendix B-I hereto.

Sufficient Clearing Bids means for each series of _____ Notes, an Auction for which the number of Units of _____ Notes of such series that are the subject of Submitted Bids by Potential Beneficial Owners specifying one or more rates not higher than the Maximum Rate is not less than the number of Units of _____ Notes of such series that are the subject of Submitted Sell Orders and of Submitted Bids by Existing Holders specifying rates higher than the Maximum Rate.

_____ **Notes Basic Maintenance Amount** as of any Valuation Date has the meaning set forth in the Rating Agency Guidelines.

_____ **Notes Series** _____ means the Series _____ Notes or any other Notes hereinafter designated as Series _____ of the _____ Notes.

Treasury Index Rate means the average yield to maturity for actively traded marketable U.S. Treasury fixed interest rate securities having the same number of 30-day periods to maturity as the length of the applicable Rate Period, determined, to the extent necessary, by linear interpolation based upon the yield for such securities having the next shorter and next longer number of 30-day periods to maturity treating all Rate Periods with a length greater than the longest maturity for such securities as having a length equal to such longest maturity, in all cases based upon data set forth in the most recent weekly statistical release published by the Board of Governors of the Federal Reserve System (currently in H.15(519)); provided, however, if the most recent such statistical release shall not have been published during the 15 days preceding the date of

computation, the foregoing computations shall be based upon the average of comparable data as quoted to the Issuer by at least three recognized dealers in U.S. Government securities selected by the Issuer.

Trustee means _____ or such other person who is named as a trustee pursuant to the terms of the Indenture.

Unit means, with respect to each series of _____ Notes, the principal amount of the minimum Authorized Denomination of the _____ Notes.

Valuation Date means every Friday, or, if such day is not a Business Day, the next preceding Business Day; provided, however, that the first Valuation Date may occur on any other date established by the Issuer; provided, further, however, that such first Valuation Date shall be not more than one week from the date on which _____ Notes Series _____ initially are issued.

Winning Bid Rate means for each series of _____ Notes, the lowest rate specified in any Submitted Bid of such series of _____ Notes which if selected by the Auction Agent as the Applicable Rate would cause the number of Units of _____ Notes of such series that are the subject of Submitted Bids specifying a rate not greater than such rate to be not less than the number of Units of Available _____ Notes of such series.

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**NOTE DETAILS, FORM OF NOTES
AND REDEMPTION OF NOTES**

Interest

(a) The Holders of any series of _____ Notes shall be entitled to receive interest payments on their _____ Notes at the Applicable Rate, determined as set forth in paragraph (c) of this Section 2.02, and no more, payable on the respective dates determined as set forth in paragraph (b) of this Section 2.02. Interest on the Outstanding _____ Notes of any series issued on the Original Issue Date shall accumulate from the Original Issue Date.

(b) (i) Interest shall be payable, subject to subparagraph (b)(ii) of this Section 2.02, on each series of _____ Notes, with respect to any Rate Period on the first Business Day following the last day of such Rate Period; provided, however, if the Rate Period is greater than 30 days then on a monthly basis on the first Business Day of each month within such Rate Period, not including the initial Rate Period, and on the Business Day following the last day of such Rate Period.

(ii) If a day for payment of interest resulting from the application of subparagraph (b)(i) above is not a Business Day, then the Interest Payment Date shall be the first Business Day following such day for payment of interest in the case of a series of _____ Notes designated as Series _____.

(iii) The Issuer shall pay to the Paying Agent not later than 3:00 p.m., New York City time, on the Business Day next preceding each Interest Payment Date for each series of _____ Notes, an aggregate amount of funds available on the next Business Day in the City of New York, New York, equal to the interest to be paid to all Holders of such _____ Notes on such Interest Payment Date. The Issuer shall not be required to establish any reserves for the payment of interest.

(iv) All moneys paid to the Paying Agent for the payment of interest shall be held in trust for the payment of such interest by the

Paying Agent for the benefit of the Holders specified in subparagraph (b)(v) of this Section 2.02. Any moneys paid to the Paying Agent in accordance with the foregoing but not applied by the Paying Agent to the payment of interest, including interest earned on such moneys, will, to the extent permitted by law, be repaid to the Issuer at the end of 90 days from the date on which such moneys were to have been so applied.

(v) Each interest payment on a series of _____ Notes shall be paid on the Interest Payment Date therefor to the Holders of that series as their names appear on the security ledger or security records of the Issuer on the Business Day next preceding such Interest Payment Date. Interest in arrears for any past Rate Period may be declared and paid at any time, without reference to any regular Interest Payment Date, to the Holders as their names appear on the books or records of the Issuer on such date, not exceeding 15 days preceding the payment date thereof, as may be fixed by the Board of Directors. No interest will be payable in respect of any Interest Payment or payments which may be in arrears.

(c) (i) The interest rate on Outstanding _____ Notes of each series during the period from and after the Original Issue Date to and including the last day of the initial Rate Period therefor shall be equal to ____%. For each subsequent Rate Period with respect to the _____ Notes Outstanding thereafter, the interest rate shall be equal to the rate per annum that results from an Auction; provided, however, that if an Auction for any subsequent Rate Period of a series of _____ Notes is not held for any reason or if Sufficient Clearing Bids have not been made in an Auction (other than as a result of all series of _____ Notes being the subject of Submitted

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Hold Orders), then the interest rate on a series of _____ Notes for any such Rate Period shall be the Maximum Rate (except during a Default Period (as defined below) when the interest rate shall be the Default Rate, as set forth in Section 2.02(c)(ii) below). The All Hold Rate will apply automatically following an Auction in which all of the Outstanding series of _____ Notes are subject (or are deemed to be subject) to Hold Orders. The rate per annum at which interest is payable on a series of _____ Notes as determined pursuant to this Section 2(c)(i) shall be the Applicable Rate. For Standard Rate Periods or shorter periods only, the Applicable Rate resulting from an Auction will not be less than the Minimum Rate.

(ii) Subject to the cure provisions below, a Default Period with respect to a particular series will commence on any date the Issuer fails to deposit irrevocably in trust in same-day funds, with the Paying Agent by 12:00 noon, New York City time, (A) the full amount of any redemption price (the Redemption Price) payable on the date fixed for redemption (the Redemption Date) (a Redemption Default, which shall constitute an Event of Default pursuant to Section 5.1(7) of the Original Indenture) or (B) the full amount of any accrued interest on that series payable on the Interest Payment Date (an Interest Default and together with a Redemption Default, hereinafter referred to as Default). Subject to the cure provisions of Section 2(c)(iii) below, a Default Period with respect to an Interest Default or a Redemption Default shall end on the Business Day on which, by 12:00 noon, New York City time, all unpaid interest and any unpaid Redemption Price shall have been deposited irrevocably in trust in same-day funds with the Paying Agent. In the case of an Interest Default, the Applicable Rate for each Rate Period commencing during a Default Period will be equal to the Default Rate, and each subsequent Rate Period commencing after the beginning of a Default Period shall be a Standard Rate Period; provided, however, that

the commencement of a Default Period will not by itself cause the commencement of a new Rate Period. No Auction shall be held during a Default Period with respect to an Interest Default applicable to that series of _____ Notes.

(iii) No Default Period with respect to an Interest Default or Redemption Default shall be deemed to commence if the amount of any interest or any Redemption Price due (if such default is not solely due to the willful failure of the Issuer) is deposited irrevocably in trust, in same-day funds with the Paying Agent by 12:00 noon, New York City time within three Business Days after the applicable Interest Payment Date or Redemption Date, together with an amount equal to the Default Rate applied to the amount of such non-payment based on the actual number of days comprising such period divided by 360 for each series. The Default Rate shall be equal to the Reference Rate multiplied by three (3).

(iv) The amount of interest per Unit of _____ Notes payable on each Interest Payment Date of each Rate Period of less than one (1) year (or in respect of interest on another date in connection with a redemption during such Rate Period) shall be computed by multiplying the Applicable Rate (or the Default Rate) for such Rate Period (or a portion thereof) by a fraction, the numerator of which will be the number of days in such Rate Period (or portion thereof) that such _____ Notes were outstanding and for which the Applicable Rate or the Default Rate was applicable and the denominator of which will be 360, multiplying the amount so obtained by \$25,000, and rounding the amount so obtained to the nearest cent. During any Rate Period of one (1) year or more, the amount of interest per Unit of _____ Notes payable on any Interest Payment Date (or in respect of interest on another date in connection with a redemption during such Rate Period) shall be computed as described in the preceding sentence.

(d) Any Interest Payment made on any series of _____ Notes shall first be credited against the earliest accrued but unpaid interest due with respect to such series.

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Redemption

(a) (i) After the initial Rate Period, subject to the provisions of this Section 2.03 and to the extent permitted under the Investment Company Act, the Issuer may, at its option, redeem in whole or in part out of funds legally available therefor a series of _____ Notes herein designated as (A) having a Rate Period of one year or less, on the Business Day after the last day of such Rate Period by delivering a notice of redemption not less than 15 days and not more than 40 days prior to the date fixed for such redemption, at a redemption price equal to the aggregate principal amount, plus an amount equal to accrued but unpaid interest thereon (whether or not earned) to the date fixed for redemption (Redemption Price), or (B) having a Rate Period of more than one year, on any Business Day prior to the end of the relevant Rate Period by delivering a notice of redemption not less than 15 days and not more than 40 days prior to the date fixed for such redemption, at the Redemption Price, plus a redemption premium, if any, determined by the Board of Directors after consultation with the Broker-Dealers and set forth in any applicable Specific Redemption Provisions at the time of the designation of such Rate Period as set forth in Section 2.04 hereof; provided, however, that during a Rate Period of more than one year no series of _____ Notes will be subject to optional redemption except in accordance with any Specific Redemption Provisions approved by the Board of Directors after consultation with the Broker-Dealers at the time of the designation of such Rate Period. Notwithstanding the foregoing, the Issuer shall not give a notice of or effect any redemption pursuant to this Section 2.03(a)(i) unless, on the date on which the Issuer intends to give such notice and on the date of redemption (a) the Issuer has available certain Deposit Securities with maturity or tender dates not later than the day preceding the applicable redemption date and having a value not less than the amount (including any applicable premium) due to

Holders of a series of _____ Notes by reason of the redemption of such _____ Notes on such date fixed for the redemption and (b) the Issuer would have Eligible Assets with an aggregate Discounted Value at least equal to the _____ Notes Basic Maintenance Amount immediately subsequent to such redemption, if such redemption were to occur on such date, it being understood that the provisions of paragraph (d) of this Section 2.03 shall be applicable in such circumstances in the event the Issuer makes the deposit and takes the other action required thereby.

(ii) If the Issuer fails to maintain, as of any Valuation Date, Eligible Assets with an aggregate Discounted Value at least equal to the _____ Notes Basic Maintenance Amount or, as of the last Business Day of any month, the 1940 Act _____ Notes Asset Coverage, and such failure is not cured within ten Business Days following such Valuation Date in the case of a failure to maintain the _____ Notes Basic Maintenance Amount or on the last Business Day of the following month in the case of a failure to maintain the 1940 Act _____ Notes Asset Coverage as of such last Business Day (each an Asset Coverage Cure Date), the _____ Notes will be subject to mandatory redemption out of funds legally available therefor. The aggregate principal amount of _____ Notes to be redeemed in such circumstances will be equal to the lesser of (A) the minimum principal amount of _____ Notes the redemption of which, if deemed to have occurred immediately prior to the opening of business on the relevant Asset Coverage Cure Date, would result in the Issuer having Eligible Assets with an aggregate Discounted Value at least equal to the _____ Notes Basic Maintenance Amount, or sufficient to satisfy 1940 Act _____ Notes Asset Coverage, as the case may be, in either case as of the relevant Asset Coverage Cure Date (provided that, if there is no such minimum principal amount of _____ Notes the redemption of which would have such result, all _____ Notes then Outstanding will be redeemed), and (B) the maximum principal

amount of _____ Notes that can be redeemed out of funds expected to be available therefor on the Mandatory Redemption Date at the Mandatory Redemption Price set forth in subparagraph (a)(iii) of this Section 2.03.

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(iii) In determining the _____ Notes required to be redeemed in accordance with the foregoing Section 2.03(a)(ii), the Issuer shall allocate the aggregate principal amount of _____ Notes required to be redeemed to satisfy the _____ Notes Basic Maintenance Amount or the 1940 Act _____ Notes Asset Coverage, as the case may be, pro rata among the Holders of _____ Notes in proportion to the aggregate principal amount of _____ Notes they hold, by lot or by such other method as the Issuer shall deem equitable, subject to the further provisions of this subparagraph (iii). The Issuer shall effect any required mandatory redemption pursuant to subparagraph (a)(ii) of this Section 2.03 no later than 40 days after the Asset Coverage Cure Date (the Mandatory Redemption Date), except that if the Issuer does not have funds legally available for the redemption of, or is not otherwise legally permitted to redeem, the aggregate principal amount of _____ Notes which would be required to be redeemed by the Issuer under clause (A) of subparagraph (a)(ii) of this Section 2.03 if sufficient funds were available, or the Issuer otherwise is unable to effect such redemption on or prior to such Mandatory Redemption Date, the Issuer shall redeem those _____ Notes, and other Notes, on the earliest practicable date on which the Issuer will have such funds available, upon notice pursuant to Section 2.03(b) to record owners of the _____ Notes to be redeemed and the Paying Agent. The Issuer will deposit with the Paying Agent funds sufficient to redeem the specified aggregate principal amount of _____ Notes with respect to a redemption required under subparagraph (a)(ii) of this Section 2.03, by 1:00 p.m., New York City time, of the Business Day immediately preceding the Mandatory Redemption Date. If fewer than all of the Outstanding _____ Notes are to be redeemed pursuant to this Section 2.03(a)(iii), the aggregate principal amount of _____ Notes to be redeemed shall be redeemed pro rata from the Holders of such

_____ Notes in proportion to the aggregate principal amount of such _____ Notes held by such Holders, by lot or by such other method as the Issuer shall deem fair and equitable, subject, however, to the terms of any applicable Specific Redemption Provisions. Mandatory Redemption Price means the Redemption Price plus (in the case of a Rate Period of one year or more only) a redemption premium, if any, determined by the Board of Directors after consultation with the Broker-Dealers and set forth in any applicable Specific Redemption Provisions.

(b) In the event of a redemption pursuant to Section 2.03(a), the Issuer will file a notice of its intention to redeem with the Commission so as to provide at least the minimum notice required under Rule 23c-2 under the Investment Company Act or any successor provision. In addition, the Issuer shall deliver a notice of redemption to the Auction Agent and the Trustee (the Notice of Redemption) containing the information set forth below (i) in the case of an optional redemption pursuant to subparagraph (a)(i) above, at least three Business Days prior to the giving of notice to the Holders and (ii) in the case of a mandatory redemption pursuant to subparagraph (a)(ii) above, on or prior to the 30th day preceding the Mandatory Redemption Date. The Trustee will use its reasonable efforts to provide notice to each Holder of _____ Notes called for redemption by electronic or other reasonable means not later than the close of business on the Business Day immediately following the day on which the Trustee determines the _____ Notes to be redeemed (or, during a Default Period with respect to such _____ Notes, not later than the close of business on the Business Day immediately following the day on which the Trustee receives Notice of Redemption from the Issuer). The Trustee shall confirm such notice in writing not later than the close of business on the third Business Day preceding the date fixed for redemption by providing the Notice of Redemption to each Holder of _____ Notes called for redemption, the Paying Agent (if different from the Trustee) and the

Securities Depository. Notice of Redemption will be addressed to the registered owners of each series of _____ Notes at their addresses appearing on the books or records of the Issuer. Such Notice of Redemption will set forth (i) the date fixed for redemption, (ii) the principal amount and identity of _____ Notes to be redeemed, (iii) the redemption price (specifying the amount of accrued

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interest to be included therein and any redemption premium, if any), (iv) that interest on the _____ Notes to be redeemed will cease to accrue on such date fixed for redemption, (v) applicable cusip number(s) and (vi) the provision under which redemption shall be made. No defect in the Notice of Redemption or in the transmittal or mailing thereof will affect the validity of the redemption proceedings, except as required by applicable law. If fewer than all _____ Notes held by any Holder are to be redeemed, the Notice of Redemption mailed to such Holder shall also specify the principal amount of _____ Notes to be redeemed from such Holder.

(c) Notwithstanding the provisions of paragraph (a) of this Section 2.03, no _____ Notes may be redeemed unless all interest on the Outstanding _____ Notes and all Notes of the Issuer ranking on a parity with the _____ Notes, have been or are being contemporaneously paid or set aside for payment; provided, however, that the foregoing shall not prevent the purchase or acquisition of all Outstanding _____ Notes pursuant to the successful completion of an otherwise lawful purchase or exchange offer made on the same terms to, and accepted by, Holders of all Outstanding _____ Notes.

(d) Upon the deposit of funds sufficient to redeem any _____ Notes with the Paying Agent and the giving of the Notice of Redemption to the Trustee under paragraph (b) of this Section 2.03, interest on such _____ Notes shall cease to accrue and such _____ Notes shall no longer be deemed to be Outstanding for any purpose (including, without limitation, for purposes of calculating whether the Issuer has maintained the requisite _____ Notes Basic Maintenance Amount or the 1940 Act _____ Notes Asset Coverage), and all rights of the Holder of the _____ Notes so called for redemption shall cease and terminate, except the right of such Holder to receive the redemption price specified herein, but without any interest or other additional

amount. Such redemption price shall be paid by the Paying Agent to the nominee of the Securities Depository. The Issuer shall be entitled to receive from the Paying Agent, promptly after the date fixed for redemption, any cash deposited with the Paying Agent in excess of (i) the aggregate redemption price of the _____ Notes called for redemption on such date and (ii) such other amounts, if any, to which Holders of the _____ Notes called for redemption may be entitled. Any funds so deposited that are unclaimed at the end of two years from such redemption date shall, to the extent permitted by law, be paid to the Issuer, after which time the Holders of _____ Notes so called for redemption may look only to the Issuer for payment of the redemption price and all other amounts, if any, to which they may be entitled. The Issuer shall be entitled to receive, from time to time after the date fixed for redemption, any interest earned on the funds so deposited.

(e) To the extent that any redemption for which Notice of Redemption has been given is not made by reason of the absence of legally available funds therefor, or is otherwise prohibited, such redemption shall be made as soon as practicable to the extent such funds become legally available or such redemption is no longer otherwise prohibited. Failure to redeem any series of _____ Notes shall be deemed to exist at any time after the date specified for redemption in a Notice of Redemption when the Issuer shall have failed, for any reason whatsoever, to deposit in trust with the Paying Agent the redemption price with respect to any _____ Notes for which such Notice of Redemption has been given. Notwithstanding the fact that the Issuer may not have redeemed any _____ Notes for which a Notice of Redemption has been given, interest may be paid on a series of _____ Notes and shall include those _____ Notes for which Notice of Redemption has been given but for which deposit of funds has not been made.

(f) All moneys paid to the Paying Agent for payment of the redemption price of any _____ Notes called for redemption shall

be held in trust by the Paying Agent for the benefit of Holders of _____ Notes to be redeemed.

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(g) So long as any _____ Notes are held of record by the nominee of the Securities Depository, the redemption price for such _____ Notes will be paid on the date fixed for redemption to the nominee of the Securities Depository for distribution to Agent Members for distribution to the persons for whom they are acting as agent.

(h) Except for the provisions described above, nothing contained herein limits any right of the Issuer to purchase or otherwise acquire any _____ Notes outside of an Auction at any price, whether higher or lower than the price that would be paid in connection with an optional or mandatory redemption, so long as, at the time of any such purchase, there is no arrearage in the payment of interest on, or the mandatory or optional redemption price with respect to, any series of _____ Notes for which Notice of Redemption has been given and the Issuer is in compliance with the 1940 Act

_____ Notes Asset Coverage and has Eligible Assets with an aggregate Discounted Value at least equal to the _____ Notes Basic Maintenance Amount after giving effect to such purchase or acquisition on the date thereof. If fewer than all the Outstanding _____ Notes of any series are redeemed or otherwise acquired by the Issuer, the Issuer shall give notice of such transaction to the Trustee, in accordance with the procedures agreed upon by the Board of Directors.

(i) The Board of Directors may, without further consent of the holders of the _____ Notes or the holders of shares of capital stock of the Issuer, authorize, create or issue any class or series of Notes, including other series of _____ Notes, ranking prior to or on a parity with the _____ Notes to the extent permitted by the Investment Company Act, if, upon issuance, either (A) the net proceeds from the sale of such Notes (or such portion thereof needed to redeem or repurchase the Outstanding _____ Notes) are deposited with the Trustee in accordance with Section 2.03(d), Notice of Redemption as contemplated by Section 2.03(b) has been delivered prior

thereto or is sent promptly thereafter, and such proceeds are used to redeem all Outstanding _____ Notes or (B) the Issuer would meet the 1940 Act _____ Notes Asset Coverage, the _____ Notes Basic Maintenance Amount and the requirements of Section 2.08 hereof.

(j) If any _____ Notes are to be redeemed and such _____ Notes are held by the Securities Depository, the Issuer shall include in the notice of redemption delivered to the Securities Depository: (i) under an item entitled Publication Date for Securities Depository Purposes, the Interest Payment Date prior to the Redemption Date, and (ii) an instruction to the Securities Depository to (x) determine on such Publication Date after the Auction held on the immediately preceding Auction Date has settled, the Depository participants whose Securities Depository positions will be redeemed and the principal amount of such _____ Notes to be redeemed from each such position (the Securities Depository Redemption Information), and (y) notify the Auction Agent immediately after such determination of (A) the positions of the Depository Participants in such _____ Notes immediately prior to such Auction settlement, (B) the positions of the Depository Participants in such _____ Notes immediately following such Auction settlement and (C) the Securities Depository Redemption Information. Publication Date shall mean three Business Days after the Auction Date next preceding such Redemption Date.

Designation of Rate Period

The initial Rate Period for each series of _____ Notes is as set forth under Designation in Section 2.01(a) above. The Issuer will designate the duration of subsequent Rate Periods of each series of _____ Notes; provided, however, that no such designation is necessary for a Standard Rate Period and, provided further, that any designation of a Special Rate Period shall be effective only if (i) notice thereof shall have been given as provided herein, (ii) any failure to pay

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in a timely manner to the Trustee the full amount of any interest on, or the redemption price of, _____ Notes shall have been cured as provided above, (iii) Sufficient Clearing Bids shall have existed in an Auction held on the Auction Date immediately preceding the first day of such proposed Special Rate Period, (iv) if the Issuer shall have mailed a Notice of Redemption with respect to any _____ Notes, the redemption price with respect to such _____ Notes shall have been deposited with the Paying Agent, and (v) in the case of the designation of a Special Rate Period, the Issuer has confirmed that as of the Auction Date next preceding the first day of such Special Rate Period, it has Eligible Assets with an aggregate Discounted Value at least equal to the _____ Notes Basic Maintenance Amount, and the Issuer has consulted with the Broker-Dealers and has provided notice of such designation and otherwise complied with the Rating Agency Guidelines.

If the Issuer proposes to designate any Special Rate Period, not fewer than 7 (or two Business Days in the event the duration of the Rate Period prior to such Special Rate Period is fewer than 8 days) nor more than 30 Business Days prior to the first day of such Special Rate Period, notice shall be (i) made by press release and (ii) communicated by the Issuer by telephonic or other means to the Trustee and confirmed in writing promptly thereafter. Each such notice shall state (A) that the Issuer proposes to exercise its option to designate a succeeding Special Rate Period, specifying the first and last days thereof and (B) that the Issuer will by 3:00 p.m., New York City time, on the second Business Day next preceding the first day of such Special Rate Period, notify the Auction Agent and the Trustee, who will promptly notify the Broker-Dealers, of either (x) its determination, subject to certain conditions, to proceed with such Special Rate Period, subject to the terms of any Specific Redemption Provisions, or (y) its determination not to proceed with such

Special Rate Period, in which latter event the succeeding Rate Period shall be a Standard Rate Period.

No later than 3:00 p.m., New York City time, on the second Business Day next preceding the first day of any proposed Special Rate Period, the Issuer shall deliver to the Auction Agent and Trustee, who will promptly deliver to the Broker-Dealers and Existing Holders, either:

(i) a notice stating (A) that the Issuer has determined to designate the next succeeding Rate Period as a Special Rate Period, specifying the first and last days thereof and (B) the terms of any Specific Redemption Provisions; or

(ii) a notice stating that the Issuer has determined not to exercise its option to designate a Special Rate Period.

If the Issuer fails to deliver either such notice with respect to any designation of any proposed Special Rate Period to the Auction Agent or is unable to make the confirmation provided in clause (v) of Paragraph (a) of this Section 2.04 by 3:00 p.m., New York City time, on the second Business Day next preceding the first day of such proposed Special Rate Period, the Issuer shall be deemed to have delivered a notice to the Auction Agent with respect to such Rate Period to the effect set forth in clause (ii) above, thereby resulting in a Standard Rate Period.

Restrictions on Transfer

_____ Notes may be transferred only (a) pursuant to an order placed in an Auction, (b) to or through a Broker-Dealer or (c) to the Issuer or any Affiliate.

Notwithstanding the foregoing, a transfer other than pursuant to an Auction will not be effective unless the selling Existing Holder or the Agent Member of such Existing Holder, in the case of an Existing Holder whose

_____ Notes are listed in its own name on the books of the Auction Agent, or the Broker-Dealer or Agent Member of such Broker-Dealer, in the case of a transfer between persons holding _____ Notes through different Broker-Dealers, advises the Auction Agent of such transfer. The certificates representing the

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_____ Notes issued to the Securities Depository will bear legends with respect to the restrictions described above and stop-transfer instructions will be issued to the Transfer Agent and/or Registrar.

1940 Act _____ Notes Asset Coverage

The Issuer shall maintain, as of the last Business Day of each month in which any _____ Notes are Outstanding, asset coverage with respect to the _____ Notes which is equal to or greater than the 1940 Act _____ Notes Asset Coverage; provided, however, that Section 2.03(a)(ii) shall be the sole remedy in the event the Issuer fails to do so.

_____ Notes Basic Maintenance Amount

So long as the _____ Notes are Outstanding and any Rating Agency is then rating the _____ Notes, the Issuer shall maintain, as of each Valuation Date, Eligible Assets having an aggregate Discounted Value equal to or greater than the _____ Notes Basic Maintenance Amount; provided, however, that Section 2.03(a)(ii) shall be the sole remedy in the event the Issuer fails to do so.

Certain Other Restrictions

For so long as any _____ Notes are Outstanding and any Rating Agency is then rating the _____ Notes, the Issuer will not engage in certain proscribed transactions set forth in the Rating Agency Guidelines, unless it has received written confirmation from each such Rating Agency that proscribes the applicable transaction in its Rating Agency Guidelines that any such action would not impair the rating then assigned by such Rating Agency to a series of _____ Notes.

For so long as any _____ Notes are Outstanding, the Issuer will not declare, pay or set apart for payment any dividend or other distribution (other than a dividend or distribution paid in shares of, or options, warrants or rights to subscribe for or purchase, common shares or other shares of capital stock of the Issuer) upon any class of shares of capital stock of the Issuer, unless, in

every such case, immediately after such transaction, the 1940 Act _____ Notes Asset Coverage would be achieved after deducting the amount of such dividend, distribution, or purchase price, as the case may be; provided, however, that dividends may be declared upon any preferred shares of capital stock of the Issuer if the _____ Notes and any other senior securities representing indebtedness of the Issuer have an asset coverage of at least 200% at the time of declaration thereof, after deducting the amount of such dividend.

A declaration of a dividend or other distribution on or purchase or redemption of any common or preferred shares of capital stock of the Issuer is prohibited (i) at any time that an Event of Default under the Indenture has occurred and is continuing, (ii) if after giving effect to such declaration, the Issuer would not have Eligible Assets with an aggregate Discounted Value at least equal to the _____ Notes Basic Maintenance Amount or the 1940 Act _____ Notes Asset Coverage, or (iii) the Issuer has not redeemed the full amount of _____ Notes required to be redeemed by any provisions for mandatory redemption contained herein.

Compliance Procedures for Asset Maintenance Tests

For so long as any _____ Notes are Outstanding and any Rating Agency is then rating such _____ Notes:

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(a) As of each Valuation Date, the Issuer shall determine in accordance with the procedures specified herein (i) the Market Value of each Eligible Asset owned by the Issuer on that date, (ii) the Discounted Value of each such Eligible Asset using the Discount Factors, (iii) whether the _____ Notes Basic Maintenance Amount is met as of that date, (iv) the value of the total assets of the Issuer, less all liabilities, and (v) whether the 1940 Act _____ Notes Asset Coverage is met as of that date.

(b) Upon any failure to maintain the required _____ Notes Basic Maintenance Amount or 1940 Act _____ Notes Asset Coverage on any Valuation Date, the Issuer may use reasonable commercial efforts (including, without limitation, altering the composition of its portfolio, purchasing _____ Notes outside of an Auction or in the event of a failure to file a Rating Agency Certificate (as defined below) on a timely basis, submitting the requisite Rating Agency Certificate) to re-attain (or certify in the case of a failure to file on a timely basis, as the case may be) the required _____ Notes Basic Maintenance Amount or 1940 Act _____ Notes Asset Coverage on or prior to the Asset Coverage Cure Date.

(c) Compliance with the _____ Notes Basic Maintenance Amount and 1940 Act _____ Notes Asset Coverage tests shall be determined with reference to those _____ Notes which are deemed to be Outstanding hereunder.

(d) The Issuer shall deliver to each Rating Agency which is then rating _____ Notes and any other party specified in the Rating Agency Guidelines all certificates that are set forth in the respective Rating Agency Guidelines regarding 1940 Act _____ Notes Asset Coverage, _____ Notes Basic Maintenance Amount and/or related calculations at such times and containing such information as set forth in the respective Rating Agency Guidelines (each, a Rating Agency Certificate).

(e) In the event that any Rating Agency Certificate is not delivered within the time periods set forth in the Rating Agency Guidelines, the Issuer shall be deemed to have failed to maintain the _____ Notes Basic Maintenance Amount or the 1940 Act _____ Notes Asset Coverage, as the case may be, on such Valuation Date for purposes of Section 2.09(b). In the event that any Rating Agency Certificate with respect to an applicable Asset Coverage Cure Date is not delivered within the time periods set forth in the Rating Agency Guidelines, the Issuer shall be deemed to have failed to have Eligible Assets with an aggregate Discounted Value at least equal to the _____ Notes Basic Maintenance Amount or to meet the 1940 _____ Notes Asset Coverage, as the case may be, as of the related Valuation Date, and such failure shall be deemed not to have been cured as of such Asset Coverage Cure Date for purposes of the mandatory redemption provisions.

Delivery of Notes

Upon the execution and delivery of this Supplemental Indenture, the Issuer shall execute and deliver to the Trustee and the Trustee shall authenticate the _____ Notes and deliver them to The Depository Trust Company and as hereinafter in this Section provided.

Prior to the delivery by the Trustee of any of the _____ Notes, there shall have been filed with or delivered to the Trustee the following:

(a) A resolution duly adopted by the Issuer, certified by the Secretary or other Authorized Officer thereof, authorizing the execution and delivery of this Supplemental Indenture and the issuance of the _____ Notes.

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(b) Duly executed copies of this Supplemental Indenture and a copy of the Indenture.

(c) Rating letters from each Rating Agency rating the _____ Notes.

(d) An Opinion of Counsel and an Officers Certificate pursuant to Sections 3.3 and 9.3 of the Original Indenture.

Trustee s Authentication Certificate

The Trustee s authentication certificate upon the _____ Notes shall be substantially in the forms provided in Appendix ___ hereto. No _____ Note shall be secured hereby or entitled to the benefit hereof, or shall be valid or obligatory for any purpose, unless a certificate of authentication, substantially in such form, has been duly executed by the Trustee; and such certificate of the Trustee upon any _____ Note shall be conclusive evidence and the only competent evidence that such Bond has been authenticated and delivered hereunder. The Trustee s certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer of the Trustee, but it shall not be necessary that the same person sign the certificate of authentication on all of the _____ Notes issued hereunder.

EVENTS OF DEFAULT; REMEDIES

Events of Default

An Event of Default means any one of the following events set forth below (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) default in the payment of any interest upon a series of _____ Notes when it becomes due and payable and the continuance of such default for thirty (30) days; or

(b) default in the payment of the principal of, or any premium on, a series of _____ Notes at its Stated Maturity; or

(c) default in the performance, or breach, of any covenant or warranty of the Company in the Indenture, and continuance of such

default or breach for a period of ninety (90) days after there has been given, by registered or certified mail, to the Company by the Trustee a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a Notice of Default; or

(d) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(e) the commencement by the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree

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or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company in furtherance of any such action; or

(f) if, pursuant to Section 18(a)(1)(c)(ii) of the 1940 Act on the last business day of each of twenty-four (24) consecutive calendar months, the 1940 Act _____ Notes Asset Coverage is less than 100%; or

(g) any other Event of Default provided with respect to a series of _____ Notes, including a default in the payment of any Redemption Price payable on the date fixed for redemption.

Unless otherwise noted, an Event of Default that relates only to one series of _____ Notes will not affect any other series.

Acceleration of Maturity; Rescission and Annulment

If an Event of Default with respect to _____ Notes of a series at the time Outstanding occurs and is continuing, then in every such case the Trustee or the holders of not less than a majority in principal amount of the Outstanding _____ Notes of that series may declare the principal amount of all the _____ Notes of that series to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by holders), and upon any such declaration such principal amount (or

specified amount) shall become immediately due and payable. If an Event of Default specified in paragraphs (d) and (e) above with respect to _____ Notes of any series at the time Outstanding occurs, the principal amount of all the _____ Notes of that series shall automatically, and without any declaration or other action on the part of the Trustee or any holder, become immediately due and payable.

At any time after such a declaration of acceleration with respect to _____ Notes of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee, the holders of a majority in principal amount of the Outstanding _____ Notes of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if:

(a) the Company has paid or deposited with the Trustee a sum sufficient to pay

(i) all overdue interest on all _____ Notes of that series,

(ii) the principal of (and premium, if any, on) any _____ Notes of that series which have become due otherwise than by such declaration of acceleration and any interest thereon at the rate or rates prescribed therefor in such _____ Notes,

(iii) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates prescribed therefor in such _____ Notes,

(iv) all sums paid or advanced by the Trustee and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

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(b) all Events of Default with respect to _____ Notes of that series, other than the non-payment of the principal of _____ Notes of that series which have become due solely by such declaration of acceleration, have been cured or waived.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Collection of Indebtedness and Suits for Enforcement by Trustee

The Company covenants that if:

(a) default is made in the payment of any interest on any _____ Notes when such interest becomes due and payable and such default continues for a period of 90 days, or

(b) default is made in the payment of the principal of (or premium, if any, on) any _____ Notes at the Maturity thereof, the Company will, upon demand of the Trustee, pay to it, for the benefit of the holders of such _____ Notes, the whole amount then due and payable on such _____ Notes for principal and any premium and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal and premium and on any overdue interest, at the rate or rates prescribed therefor in such _____ Notes, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If an Event of Default with respect to _____ Notes of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the holders of _____ Notes of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in the Indenture or in aid of the exercise of any power granted in the Indenture, or to enforce any other proper remedy.

Application of Money Collected

Any money collected by the Trustee pursuant to the provisions of the Indenture relating to an Event of Default shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal or any premium or interest, upon presentation of the _____ Notes and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee under the Indenture;

and

SECOND: To the payment of the amounts then due and unpaid for principal of and any premium and interest on the _____ Notes in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such _____ Notes for principal and any premium and interest, respectively.

Limitation On Suits

No holder of any _____ Notes of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to the Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

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(a) such holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the _____ Notes of that series;

(b) the holders of not less than a majority in principal amount of the Outstanding _____ Notes of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(c) such holder or holders have offered to the Trustee indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;

(d) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(e) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the holders of a majority in principal amount of the Outstanding _____ Notes of that series; it being understood and intended that no one or more of such holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of the Indenture to affect, disturb or prejudice the rights of any other of such holders, or to obtain or to seek to obtain priority or preference over any other of such holders or to enforce any right under the Indenture, except in the manner provided and for the equal and ratable benefit of all of such holders.

Unconditional Right of Holders to Receive Principal, Premium and Interest

Notwithstanding any other provision in the Indenture, the holder of any _____ Notes shall have the right, which is absolute and unconditional, to receive payment of the principal of and any premium and (subject to the provisions of any supplemental indenture) interest on such _____ Notes on the respective Stated Maturities expressed in such _____ Notes (or, in the case of redemption, on the Redemption Date), and to institute suit for the enforcement of any such

payment and such rights shall not be impaired without the consent of such holder.

Restoration of Rights and Remedies

If the Trustee or any holder has instituted any proceeding to enforce any right or remedy under the Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the holders shall be restored severally and respectively to their former positions and thereafter all rights and remedies of the Trustee and the holders shall continue as though no such proceeding had been instituted.

Rights and Remedies Cumulative

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen _____ Notes, no right or remedy conferred upon or reserved to the Trustee or to the holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

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Control By Holders

The holders of not less than a majority in principal amount of the Outstanding _____ Notes of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the _____ Notes of such series, provided that

(1) such direction shall not be in conflict with any rule of law or with the Indenture, and

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Waiver of Past Defaults

The holders of not less than a majority in principal amount of the Outstanding _____ Notes of any series may on behalf of the holders of all the _____ Notes of such series waive any past default hereunder with respect to such series and its consequences, except a default

(1) in the payment of the principal of or any premium or interest on any _____ Notes of such series, or

(2) in respect of a covenant or provision which cannot be modified or amended without the consent of the holder of each Outstanding _____ Notes of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of the Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SATISFACTION AND DISCHARGE OF INDENTURE

The Indenture shall upon request of the Company cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of any _____ Notes expressly provided for herein or in the terms of such security), and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and

discharge of the Indenture, when

(a) Either:

(i) all _____ Notes theretofore authenticated and delivered (other than (1) securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in the Indenture; and (2) _____ Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in the Indenture) have been delivered to the Trustee for cancellation; or

(ii) all such _____ Notes not theretofore delivered to the Trustee for cancellation have become due and payable, or will become due and payable at their Stated Maturity within one year, or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company, and the Company, in the case of this subsection (ii) has deposited or caused to be deposited with the Trustee as trust funds in trust money in an amount sufficient to pay and discharge the entire indebtedness on such securities not theretofore delivered to the Trustee for cancellation, for principal and any premium and interest to the date of such deposit (in

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the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(b) the Company has paid or caused to be paid all other sums payable hereunder by the Trust; and

(c) the Company has delivered to the Trustee an Officers Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of the Indenture have been complied with.

Notwithstanding the satisfaction and discharge of the Indenture, the obligations of the Company to the Trustee under the Indenture and, if money shall have been deposited with the Trustee pursuant to subparagraph (ii) of paragraph (a) above, the obligations of the Trustee under certain provisions of the Indenture shall survive.

THE TRUSTEE

Certain Duties and Responsibilities

(1) Except during the continuance of an Event of Default,

(A) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Indenture and as required by the Trust Indenture Act, and no implied covenants or obligations shall be read into the Indenture against the Trustee; and

(B) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Indenture; but in the case of any such certificates or opinions which by any provision of the Indenture are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of the Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(2) In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested

in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(3) In no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(4) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

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(5) No provision of the Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(A) this Subsection shall not be construed to limit the effect of Subsection (1)(A) of this Section;

(B) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(C) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of a majority in principal amount of the Outstanding securities of any series, determined as provided in the Indenture, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under the Indenture with respect to the Securities of such series; and

(D) no provision of the Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Notice of Defaults

If a default occurs hereunder with respect to _____ Notes of any series, the Trustee shall give the Holders of _____ Notes of such series notice of such default as and to the extent provided by the Trust Indenture Act; provided, however, that in the case of any default with respect to _____ Notes of such series, no such notice to Holders shall be given until at least 90 days after the occurrence thereof. For the purpose hereof, the term default means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to _____ Notes of such

series.

Certain Rights of Trustee

Subject to the provisions under **Certain Duties and Responsibilities** above:

(a) the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company shall be sufficiently evidenced by a Company Request or Company Order, and any resolution of the Board of Directors shall be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of the Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee may, in the absence of bad faith on its part, rely upon an Officers Certificate;

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(d) the Trustee may consult with counsel of its selection and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by the Indenture at the request or direction of any of the holders pursuant to the Indenture, unless such holders shall have offered to the Trustee security or indemnity reasonably satisfactory to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney;

(g) the Trustee may execute any of the trusts or powers or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(h) the Trustee shall not be liable for any action taken, suffered or omitted to be taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by the Indenture;

(i) the Trustee shall not be deemed to have notice of any default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written

notice of any event which is in fact such a default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the _____ Notes and the Indenture;

(j) the rights, privileges, protections, immunities and benefits given to the Trustee, including its rights to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder; and

(k) the Trustee may request that the Company deliver an Officers Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to the Indenture, which Officers Certificate may be signed by any person authorized to sign an Officers Certificate, including any person specified as so authorized in any such certificate previously delivered and not superceded.

Compensation and Reimbursement

The Company agrees:

(a) to pay to the Trustee from time to time such compensation as shall be agreed in writing between the parties for all services rendered by it (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(b) except as otherwise expressly provided, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of the Indenture (including the reasonable compensation and the expenses and disbursements of

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its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(c) to indemnify each of the Trustee or any predecessor Trustee for, and to hold it harmless against, any and all losses, liabilities, damages, claims or expenses including taxes (other than taxes imposed on the income of the Trustee) incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim (whether asserted by the Company, a holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder.

When the Trustee incurs expenses or renders services in connection with an Event of Default, the expenses (including the reasonable charges and expenses of its counsel) and the compensation for the services are intended to constitute expenses of administration under any applicable Federal or State bankruptcy, insolvency or other similar law.

The provisions hereof shall survive the termination of the Indenture.

Conflicting Interests

If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and the Indenture. To the extent not prohibited by the Trust Indenture Act, the Trustee shall not be deemed to have a conflicting interest by virtue of being a trustee under the Indenture with respect to _____ Notes of more than one series.

Resignation and Removal; Appointment of Successor

No resignation or removal of the Trustee and no appointment of a successor Trustee shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements.

The Trustee may resign at any time with respect to the _____ Notes of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 60 days after the giving of such notice of resignation, the resigning Trustee may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Trustee with respect to the _____ Notes of such series.

The Trustee may be removed at any time with respect to the _____ Notes of any series by Act of the holders of a majority in principal amount of the Outstanding _____ Notes of such series, delivered to the Trustee and to the Company. If the instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of a notice of removal pursuant to this paragraph, the Trustee being removed may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Trustee with respect to the _____ Notes of such series.

If at any time:

(a) the Trustee shall fail to comply after written request therefor by the Company or by any holder who has been a bona fide holder of _____ Notes for at least six months, or

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(b) the Trustee shall cease to be eligible and shall fail to resign after written request therefor by the Company or by any such holder, or

(c) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, (i) the Company by a Board Resolution may remove the Trustee with respect to all _____ Notes, or (ii) any holder who has been a bona fide holder of _____ Notes for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all _____ Notes and the appointment of a successor Trustee or Trustees.

If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the _____ Notes of one or more series, the Company, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the _____ Notes of that or those series (it being understood that any such successor Trustee may be appointed with respect to the _____ Notes of one or more or all of such series and that at any time there shall be only one Trustee with respect to the _____ Notes of any particular series) and shall comply with the applicable requirements. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the _____ Notes of any series shall be appointed by Act of the holders of a majority in principal amount of the Outstanding _____ Notes of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements, become the

successor Trustee with respect to the _____ Notes of such series and to that extent supersede the successor Trustee appointed by the Company.

If no successor Trustee with respect to the _____ Notes of any series shall have been so appointed by the Company or the holders and accepted appointment in the manner required, any holder who has been a bona fide holder of _____ Notes of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the _____ Notes of such series.

The Company shall give notice of each resignation and each removal of the Trustee with respect to the _____ Notes of any series and each appointment of a successor Trustee with respect to the _____ Notes of any series to all holders of _____ Notes of such series in the manner provided. Each notice shall include the name of the successor Trustee with respect to the _____ Notes of such series and the address of its Corporate Trust Office.

Acceptance of Appointment by Successor

In case of the appointment hereunder of a successor Trustee with respect to all _____ Notes, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

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In case of the appointment hereunder of a successor Trustee with respect to the _____ Notes of one or more (but not all) series, the Company, the retiring Trustee and each successor Trustee with respect to the _____ Notes of one or more series shall execute and deliver a supplemental indenture wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the _____ Notes of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all _____ Notes, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the _____ Notes of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of the Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing in the Indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the _____ Notes of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property

and money held by such retiring Trustee hereunder with respect to the _____ Notes of that or those series to which the appointment of such successor Trustee relates.

Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in the first or second preceding paragraph, as the case may be.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible.

Merger, Conversion, Consolidation or Succession to Business

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any _____ Notes shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the _____ Notes so authenticated with the same effect as if such successor Trustee had itself authenticated such _____ Notes.

CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE Company May Consolidate, Etc., Only On Certain Terms

The Company shall not consolidate with or merge into any other Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, and the Company shall not permit any Person to consolidate with or merge into the Company, unless:

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(a) in case the Company shall consolidate with or merge into another Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, the Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Company substantially as an entirety shall be a corporation, partnership or trust, shall be organized and validly existing under the laws of any domestic or foreign jurisdiction and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of and any premium and interest on all the _____ Notes and the performance or observance of every covenant of the Indenture on the part of the Company to be performed or observed;

(b) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Company or any subsidiary as a result of such transaction as having been incurred by the Company or such Subsidiary at the time of such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing;

(c) the Company has delivered to the Trustee an Officers Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply and that all conditions precedent in the Indenture provided for relating to such transaction have been complied with.

Successor Substituted

Upon any consolidation of the Company with, or merger of the Company into, any other Person or any conveyance, transfer or lease of the properties and assets of the Company substantially as an entirety, the successor Person formed by such consolidation or into which the Company is

merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture with the same effect as if such successor Person had been named as the Company in the Indenture, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under the Indenture and the _____ Notes.

**DEFEASANCE AND COVENANT
DEFEASANCE**

Defeasance and Discharge

Upon the Company's exercise of its option (if any) to have the provisions of the Indenture relating to Defeasance applied to any _____ Notes or any series of _____ Notes, as the case may be, the Company shall be deemed to have been discharged from its obligations, with respect to such _____ Notes as provided in the Indenture on and after the date the conditions set forth are satisfied (hereinafter called

Defeasance). For this purpose, such Defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by such _____ Notes and to have satisfied all its other obligations under such _____ Notes and the Indenture insofar as such _____ Notes are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), subject to the following which shall survive until otherwise terminated or discharged hereunder: (1) the rights of holders of such _____ Notes to receive, solely from the trust fund, payments in respect of the principal of and any premium and interest on such _____ Notes when payments are due, (2) the Company's obligations with respect to such _____ Notes, (3) the rights, powers, trusts, duties and immunities of the Trustee.

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Covenant Defeasance

Upon the Company's exercise of its option (if any) to have provisions of the Indenture relating to Covenant Defeasance applied to any _____ Notes or any series of _____ Notes, as the case may be, (1) the Company shall be released from its obligations under certain provisions of the Indenture for the benefit of the holders of such _____ Notes and (2) the occurrence of any event specified in the Indenture, and any such covenants provided pursuant to certain provisions of the Indenture shall be deemed not to be or result in an Event of Default, in each case with respect to such _____ Notes as provided in the Indenture on and after the date the conditions are satisfied (hereinafter called "Covenant Defeasance"). For this purpose, such Covenant Defeasance means that, with respect to such _____ Notes, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such specified section of the Indenture, whether directly or indirectly by reason of any reference elsewhere in the Indenture, or by reason of any reference in any such section or article of the Indenture to any other provision in the Indenture or in any other document, but the remainder of the Indenture and such _____ Notes shall be unaffected thereby.

Conditions to Defeasance or Covenant Defeasance

(a) The Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee which satisfies the requirements and agrees to comply with the provisions of the relevant Article of the Indenture applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefits of the holders of such _____ Notes, (i) money in an amount, or (ii) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due

date of any payment, money in an amount, or (iii) such other obligations or arrangements as may be specified with respect to such _____ Notes, or (iv) a combination thereof, in each case sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or any such other qualifying trustee) to pay and discharge, the principal of and any premium and interest on such _____ Notes on the respective Stated Maturities, in accordance with the terms of the Indenture and such _____ Notes. As used in the Indenture, U.S. Government Obligation means (x) any security which is (i) a direct obligation of the United States of America for the payment of which the full faith and credit of the United States of America is pledged or (ii) an obligation of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case (i) or (ii), is not callable or redeemable at the option of the Company thereof, and (y) any depositary receipt issued by a bank (as defined in Section 3(a)(2) of the _____ Notes Act) as custodian with respect to any U.S. Government Obligation which is specified in Clause (x) above and held by such bank for the account of the holder of such depositary receipt, or with respect to any specific payment of principal of or interest on any U.S. Government Obligation which is so specified and held, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of principal or interest evidenced by such depositary receipt.

(b) In the event of an election to have Defeasance and Discharge apply to any _____ Notes or any series of

_____ Notes, as the case may be, the Company shall have delivered to the Trustee an Opinion of Counsel stating that (i) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (ii) since the date of this instrument,

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there has been a change in the applicable Federal income tax law, in either case (i) or (ii) to the effect that, and based thereon such opinion shall confirm that, the holders of such _____ Notes will not recognize gain or loss for Federal income tax purposes as a result of the deposit, Defeasance and discharge to be effected with respect to such _____ Notes and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit, Defeasance and discharge were not to occur.

(c) In the event of an election to have Covenant Defeasance apply to any _____ Notes or any series of _____ Notes, as the case may be, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the holders of such _____ Notes will not recognize gain or loss for Federal income tax purposes as a result of the deposit and Covenant Defeasance to be effected with respect to such _____ Notes and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit and Covenant Defeasance were not to occur.

(d) The Company shall have delivered to the Trustee an Officers Certificate to the effect that neither such _____ Notes nor any other _____ Notes of the same series, if then listed on any _____ Notes exchange, will be delisted as a result of such deposit.

(e) No event which is, or after notice or lapse of time or both would become, an Event of Default with respect to such _____ Notes or any other _____ Notes shall have occurred and be continuing at the time of such deposit or, with regard to any such event specified, at any time on or prior to the 90th day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until after such 90th day).

(f) Such Defeasance or Covenant Defeasance shall not cause the Trustee to have a conflicting interest within the meaning of the Trust Indenture Act (assuming all

_____ Notes are in default within the meaning of such Act).

(g) Such Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company is a party or by which it is bound.

(h) Such Defeasance or Covenant Defeasance shall not result in the trust arising from such deposit constituting an investment company within the meaning of the Investment Company Act unless such trust shall be registered under the Investment Company Act or exempt from registration thereunder.

(i) No event or condition shall exist that would prevent the Company from making payments of the principal of (and any premium) or interest on the _____ Notes of such series on the date of such deposit or at any time on or prior to the 90th day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until after such 90th day).

(j) The Company shall have delivered to the Trustee an Officers Certificate and an Opinion of Counsel, each stating that all conditions precedent with respect to such Defeasance or Covenant Defeasance have been complied with.

(k) The Company shall have delivered to the Trustee an Opinion of Counsel substantially to the effect that (i) the trust funds deposited pursuant hereto will not be subject to any rights of any holders of indebtedness or equity of the Company, and (ii) after the 90th day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors rights generally, except that if a court were to rule under any such law in any case or

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proceeding that the trust funds remained property of the Company, no opinion is given as to the effect of such laws on the trust funds except the following: (A) assuming such trust funds remained in the possession of the trustee with whom such funds were deposited prior to such court ruling to the extent not paid to holders of such _____ Notes, such trustee would hold, for the benefit of such holders, a valid and perfected security interest in such trust funds that is not avoidable in bankruptcy or otherwise and (B) such holders would be entitled to receive adequate protection of their interests in such trust funds if such trust funds were used.

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**APPENDIX B-I
AUCTION PROCEDURES**

1. Orders by Existing Holders and Potential Beneficial Owners. (a) Prior to the Broker-Dealer Deadline for each Series of _____ Notes on each Auction Date:

(i) each Existing Holder may submit to a Broker-Dealer, in writing or by such other method as shall be reasonably acceptable to such Broker-Dealer, one or more Orders as to:

(A) the principal amount of _____ Notes, if any, of the series held by the Existing Holder which the Existing Holder commits to continue to hold for the next succeeding Auction Period without regard to the Applicable Rate for such Auction Period;

(B) the principal amount of _____ Notes, if any, of the series held by the Existing Holder which the Existing Holder commits to continue to hold for the next succeeding Auction Period if the Applicable Rate for _____ Notes for the next succeeding Auction Period is not less than the rate per annum specified in such Bid (and if the Auction Rate is less than such specified rate, the effect of the Order shall be as set forth in paragraph (b)(i)(A) of this Section); and/or

(C) the principal amount of _____ Notes, if any, of the series held by the Existing Holder which the Existing Holder offers to sell on the first Business Day of the next succeeding Auction Period without regard to the Applicable Rate for _____ Notes for the next succeeding Auction Period; and

(ii) each Potential Beneficial Owner may submit to a Broker-Dealer, in writing or by such other method as shall be reasonably acceptable to such Broker-Dealer, an Order as to the principal amount of outstanding _____ Notes of a series which each such Potential Beneficial Owner offers to purchase if the Applicable Rate for the _____ Notes of such series for the next succeeding Rate Period is not less than the rate per annum then specified by such Potential Beneficial Owner.

For the purposes of the Auction Procedures, an Order containing the information referred to in clause (i)(A) of this paragraph (a) is referred to as a Hold Order, an Order containing the information referred to in clause (i)(B) or (ii) of this paragraph (a) is referred to as a Bid, and an Order containing the information referred to in clause (i)(C) of this paragraph (a) is referred to as a Sell Order.

No Auction Desk of a Broker-Dealer shall accept as an Order a submission (whether received from an Existing Holder or a Potential Beneficial Owner or generated by the Broker-Dealer for its own account) which does not conform to the requirements of the Auction Procedures, including, but not limited to, submissions which are not in Authorized Denominations, specify a rate which contains more than three figures to the right of the decimal point or specify an amount greater than the amount of outstanding _____ Notes. No Auction Desk of a Broker-Dealer shall accept a Bid or Sell Order which is conditioned on being filled in whole or a Bid which does not specify a specific interest rate.

(b) (i) A Bid by an Existing Holder shall constitute an offer to sell on the first Business Day of the next succeeding Auction Period:

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(A) the principal amount of outstanding _____ Notes specified in the Bid if the Applicable Rate for the next succeeding Auction Period shall be less than the rate specified in such Bid; or

(B) the principal amount or a lesser principal amount of outstanding _____ Notes to be determined as described in clause (v) of paragraph (a) of Section 5 of this Appendix B-I if the Applicable Rate for the next succeeding Auction Period shall be equal to such specified rate; or

(C) a lesser principal amount of outstanding _____ Notes be determined as described in clause (iv) of paragraph (b) of Section 5 of this Appendix B-I if the rate specified therein shall be higher than the Maximum Rate and Sufficient Clearing Bids do not exist.

(ii) A Sell Order by an Existing Holder shall constitute an offer to sell:

(A) the principal amount of outstanding _____ Notes of the series specified in the Sell Order; or

(B) the principal amount or a lesser principal amount of outstanding _____ Notes of the series as set forth in clause (iv) of paragraph (b) of Section 5 of this Appendix B-I if Sufficient Clearing Bids for _____ Notes of the series do not exist;

(iii) A Bid by a Potential Holder of _____ Notes shall constitute an offer to purchase:

(A) the principal amount of outstanding _____ Notes of the series specified in the Bid if the Applicable Rate for the next succeeding Auction Period shall be higher than the rate specified therein; or

(B) the principal amount or a lesser principal amount of outstanding _____ Notes of the series as set forth in clause (vi) of paragraph (a) of Section 5 of this Appendix B-I if the Applicable Rate for the _____ Notes determined on the Auction Date shall be equal to the rate specified therein.

(C) Anything herein to the contrary notwithstanding:

(1) if an Order or Orders covering all of the _____ Notes of a particular series held by any Existing Holder is not submitted to the Broker-Dealer prior to the Broker-Dealer Deadline, such Broker-Dealer shall deem a Hold Order to have been submitted on behalf of the Existing Holder covering the principal amount of outstanding _____ Notes of the series held by the Existing Holder and not subject to Orders submitted to the Auction Agent; provided, however, that if there is a conversion from one Auction Period to a longer Auction Period and Orders have not been submitted to such Broker-Dealer prior to the Broker-Dealer Deadline covering the aggregate principal amount of _____ Notes of a particular series to be converted held by such Existing Holder, such Broker-Dealer shall deem a Sell Order to have been submitted on behalf of the Existing Holder covering the

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principal amount of _____ Notes to be converted held by the Existing Holder and not subject to Orders submitted to such Broker-Dealer;

(2) for purposes of any Auction, any Order by an Existing Holder or Potential Holder shall be revocable until the Broker-Dealer Deadline, and after the Broker-Dealer Deadline all such Orders shall be irrevocable except as provided in Sections 2(e)(ii) and 2(f); and

(3) for purposes of any Auction, any _____ Notes sold or purchased pursuant to clauses (i), (ii) or (iii) of paragraph (b) of this Section 1 shall be sold or purchased at a price equal to 100% of the principal amount thereof.

2. Submission of Orders by Broker-Dealers to Auction Agent.

(a) Each Broker-Dealer shall submit to the Auction Agent in writing, or by such other electronic means, as shall be reasonably acceptable to the Auction Agent, prior to the Submission Deadline on each Auction Date, all Orders accepted by such Broker-Dealer in accordance with Section 1 above and specifying with respect to each Order or aggregation of Orders pursuant to paragraph (b) of this Section 2:

(i) the name of the Broker-Dealer;

(ii) the number of Bidders placing Orders, if requested by the Auction Agent;

(iii) the aggregate number of Units of _____ Notes of the series, if any, that are the subject of the Order;

(iv) to the extent that the Bidder is an Existing Holder of _____ Notes of the series:

(A) the number of Units of _____ Notes, if any, of the series subject to any Hold Order placed by the Existing Holder;

(B) the number of Units of _____ Notes, if any, of the series subject to any Bid placed by the Existing Holder and the rate specified in the Bid; and

(C) the number of Units of _____ Notes, if any, of the series subject to any Sell Order placed by the Existing Holder; and

(v) to the extent the Bidder is a Potential Holder of _____ Notes of the series, the rate specified in such Bid.

(b) If more than one Bid is submitted to a Broker-Dealer on behalf of any single Potential Beneficial Owner, the Broker-Dealer shall aggregate each Bid on behalf of such Potential Beneficial Owner submitted with the same rate and consider such Bids as a single Bid and shall consider each Bid submitted with a different rate a separate Bid with the rate and the number of Units of _____ Notes of the series specified therein.

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A Broker-Dealer may aggregate the Orders of different Potential Beneficial Owners with those of other Potential Beneficial Owners on whose behalf the Broker-Dealer is submitting Orders and may aggregate the Orders of different Existing Holders with other Existing Holders on whose behalf the Broker-Dealer is submitting Orders; provided, however, Bids may only be aggregated if the interest rates on the Bids are the same.

(c) None of the Company, the Trustee or the Auction Agent shall be responsible for the failure of any Broker-Dealer to submit an Order to the Auction Agent on behalf of any Beneficial Owner, Potential Beneficial Owner, Existing Holder or Potential Holder.

(d) Nothing contained herein shall preclude a Broker-Dealer from placing an Order for some or all of the _____ Notes of a series for its own account.

(e) Until the Submission Deadline, a Broker-Dealer may withdraw or modify any Order previously submitted to the Auction Agent (i) for any reason if the Order was generated by the Auction Desk of the Broker-Dealer for the account of the Broker-Dealer or (ii) to correct a Clerical Error in the case of any other Order, including Orders from the Broker-Dealer which were not originated by the Auction Desk.

(f) After the Submission Deadline, and prior to the Error Correction Deadline, a Broker-Dealer may:

(i) submit to the Auction Agent an Order received from an Existing Holder, Potential Beneficial Owner or a Broker-Dealer which is not an Order generated by the Auction Desk, in each case prior to the Broker-Dealer Deadline, or an Order generated by the Broker-Dealer s Auction Desk for its own account prior to the Submission Deadline (provided that in each case the Broker-Dealer has a record of such Order and the time when such Order was received or generated) and not submitted to the Auction Agent prior to the Submission Deadline as a result of (A) an event of force majeure or a technological failure which made delivery prior to the Submission Deadline

impossible or, under the conditions then prevailing, impracticable or (B) a clerical error on the part of the Broker-Dealer; or

(ii) modify or withdraw an Order received from an Existing Holder or a Potential Beneficial Owner or generated by the Broker-Dealer (whether generated by the Broker-Dealer's Auction Desk or elsewhere within the Broker-Dealer) for its own account and submitted to the Auction Agent prior to the Submission Deadline or pursuant to clause (i) above, if the Broker-Dealer determines that such Order contained a Clerical Error on the part of the Broker-Dealer.

In the event a Broker-Dealer makes a submission, modification or withdrawal pursuant to this Section 2(f) and the Auction Agent has already run the Auction, the Auction Agent shall rerun the Auction, taking into account such submission, modification or withdrawal. Each submission, modification or withdrawal of an Order submitted pursuant to this Section 2(f) by a Broker-Dealer after the Submission Deadline and prior to the Error Correction Deadline shall constitute a representation by the Broker-Dealer that (A) in the case of a newly submitted Order or portion thereof or revised Order, the failure to submit such Order prior to the Submission Deadline resulted from an event described in clause (i) above and such Order was received from an Existing Holder or Potential Beneficial Owner or is an Order received from the Broker-Dealer that was not originated by the Auction Desk, in each case, prior to the Broker-Dealer Deadline, or generated internally by such Broker-Dealer's Auction Desk for its own account prior to the Submission Deadline or (B) in the case of a modified or withdrawn Order, such Order was received from an Existing Holder, a Potential Beneficial Owner or the Broker-Dealer which was not

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originated by the Auction Desk prior to the Broker-Dealer Deadline, or generated internally by such Broker-Dealer's Auction Desk for its own account prior to the Submission Deadline and such Order as submitted to the Auction Agent contained a Clerical Error on the part of the Broker-Dealer and that such Order has been modified or withdrawn solely to effect a correction of such Clerical Error, and in the case of either (A) or (B), as applicable, the Broker-Dealer has a record of such Order and the time when such Order was received or generated. The Auction Agent shall be entitled to rely conclusively (and shall have no liability for relying) on such representation for any and all purposes of the Auction Procedures.

(g) If after the Auction Agent announces the results of an Auction, a Broker-Dealer becomes aware that an error was made by the Auction Agent, the Broker-Dealer shall communicate such awareness to the Auction Agent prior to 5:00 p.m., New York City time on the Auction Date. If the Auction Agent determines there has been such an error (as a result of either a communication from a Broker-Dealer or its own discovery) prior to 3:00 p.m., New York City time on the first day of the next applicable Auction Period with respect to such Auction, the Auction Agent shall correct the error and notify each Broker-Dealer that submitted Bids or held a position in the _____ Notes of the series subject to such Auction of the corrected results.

(h) Nothing contained herein shall preclude the Auction Agent from:

(i) advising a Broker-Dealer prior to the Submission Deadline that it has not received Sufficient Clearing Bids for _____ Notes of the series, provided, however, that if the Auction Agent so advises any Broker-Dealer, it shall so advise all Broker-Dealers; or

(ii) verifying the Orders of a Broker-Dealer prior to the Submission Deadline, provided, however, that if the Auction Agent verifies the Orders of any

Broker-Dealer, it shall verify the Orders of all Broker-Dealers requesting such verification.

3. Treatment of Orders by the Auction Agent. Anything herein to the contrary notwithstanding:

(a) If the Auction Agent receives an Order which does not conform to the requirements of the Auction Procedures, the Auction Agent may contact the Broker-Dealer submitting such Order until one hour after the Submission Deadline and inform such Broker-Dealer that it may resubmit such Order so that it conforms to the requirements of the Auction Procedures. Upon being so informed, such Broker-Dealer may correct and resubmit to the Auction Agent any such Order that, solely as a result of a Clerical Error on the part of such Broker-Dealer, did not conform to the requirements of the Auction Procedures when previously submitted to the Auction Agent. Any such resubmission by a Broker-Dealer shall constitute a representation by such Broker-Dealer that the failure of such Order to have so conformed was solely as a result of a Clerical Error on the part of such Broker-Dealer. If the Auction Agent has not received a corrected conforming Order within one hour and fifteen minutes of the Submission Deadline, the Auction Agent shall, if and to the extent applicable, adjust or apply such Order, as the case may be, in conformity with the provisions of subsections (b), (c) or (d) of this Section 3 and, if the Auction Agent is unable to so adjust or apply such Order, the Auction Agent shall reject such Order.

(b) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round the rate up to the next highest one thousandth of one percent (0.001%).

(c) If one or more Orders covering in the aggregate more than the number of Units of _____ Notes of a particular series are submitted by a Broker-Dealer to the Auction Agent, such Orders shall be considered valid as follows:

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(i) all Hold Orders for _____ Notes of a series shall be considered Hold Orders, but only up to and including in the aggregate the number of Units of outstanding _____ Notes of the series for which such Broker-Dealer is the Broker-Dealer of record;

(ii) (A) any Bid of a Broker-Dealer shall be considered valid as a Bid of an Existing Holder up to and including the excess of the number of Units of outstanding _____ Notes of such series for which such Broker-Dealer is the Broker-Dealer of record over the number of Units of _____ Notes of such series subject to any Hold Orders referred to in clause (i) above;

(B) subject to subclause (A), all Bids of a Broker-Dealer with the same rate shall be aggregated and considered a single Bid of an Existing Holder up to and including the excess of the number of Units of _____ Notes of the series for which such Broker-Dealer is the Broker-Dealer of record over the number of Units of _____ Notes of such series for which the Broker-Dealer is the Broker-Dealer of record subject to any Hold Orders referred to in clause (i) above;

(C) subject to subclause (A), if more than one Bid with different rates is submitted by a Broker-Dealer, such Bids shall be considered Bids of an Existing Holder in the ascending order of their respective rates up to the amount of excess of the number of Units of _____ Notes of the series for which such Broker-Dealer is the Broker-Dealer of record over the number of Units of _____ Notes of such Series for which such Broker-Dealer is the Broker-Dealer of record subject to any Hold Orders referred to in clause (i) above;

(D) the number of Units, if any, of outstanding _____ Notes of the series subject to Bids not considered to be Bids for which such Broker-Dealer is the Broker-Dealer of record under this clause (ii) shall be treated as the subject of a Bid for _____ Notes of the series by a Potential

Beneficial Owner; and

(iii) all Sell Orders shall be considered Sell Orders, but only up to and including the number of Units of _____ Notes of such series equal to the excess of the number of Units of _____ Notes of such series for which such Broker-Dealer is the Broker-Dealer of record over the sum of the number of Units of _____ Notes of such series subject to Hold Orders referred to in clause (i) above and the number of Units of _____ Notes of such series considered to be subject to Bids for which such Broker-Dealer is the Broker-Dealer of record pursuant to clause (ii) above.

(d) If an Order is for other than an integral number of Units, then the Auction Agent shall round the number down to the nearest number of whole Units, and the Auction Agent shall conduct the Auction Procedures as if such Order had been submitted in such number of Units.

(e) If the Auction Agent has been notified by the Trustee or the Company that any portion of an Order by a Broker-Dealer relates to a _____ Note of a series that has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction, the Order shall be invalid with respect to such portion and the Auction Agent shall conduct the Auction Procedures as if such portion of such Order had not been submitted.

(f) No _____ Note of a series which the Auction Agent has been notified by the Trustee or the Company has been called for redemption on or prior to the Interest Payment

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Date next succeeding such Auction shall be included in the calculation of Available _____ Notes for such Auction.

(g) If an Order or Orders covering all of the _____ Notes of a particular series is not submitted by a Broker-Dealer of record prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Broker-Dealer covering the number of Units of _____ Notes for which such Broker-Dealer is the Broker-Dealer of record and not subject to Orders submitted to the Auction Agent; provided, however, that if there is a conversion from one Auction Period to a longer Auction Period and Orders have not been submitted by such Broker-Dealer prior to the Submission Deadline covering the number of Units of _____ Notes of a particular series to be converted for which such Broker-Dealer is the Broker-Dealer of record, the Auction Agent shall deem a Sell Order to have been submitted on behalf of such Broker-Dealer covering the number of Units of _____ Notes to be converted for which such Broker-Dealer is the Broker-Dealer of record not subject to Orders submitted by such Broker-Dealer.

4. Determination of Applicable Rate. (a) If requested by the Trustee or a Broker-Dealer, not later than 10:30 a.m., New York City time (or such other time as may be agreed to by the Auction Agent and all Broker-Dealers), on each Auction Date for each series of _____ Notes, the Auction Agent shall advise such Broker-Dealer (and thereafter confirm to the Trustee, if requested) the All Hold Rate. Such advice, and confirmation, shall be made by telephone or other electronic means acceptable to the Auction Agent.

(b) Promptly after the Submission Deadline for the _____ Notes of a series on each Auction Date, the Auction Agent shall assemble all Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to as a Submitted Hold Order, a Submitted Bid or a Submitted Sell

Order, as the case may be, and collectively as a Submitted Order) and shall determine (i) the Available _____ Notes, (ii) whether there are Sufficient Clearing Bids, and (iii) the Applicable Rate.

(c) In the event the Auction Agent shall fail to calculate or, for any reason, fails to provide the Auction Rate on the Auction Date, for any Auction Period (i) if the preceding Auction Period was a period of 35 days or less, (A) a new Auction Period shall be established for the same length of time as the preceding Auction Period, if the failure to make such calculation was because there was not at the time a duly appointed and acting Auction Agent or Broker-Dealer, and the Applicable Rate for the new Auction Period shall be the percentage of the Index set forth in Section 4(f) below if the Index is ascertainable on such date (by the Auction Agent, if there is at the time an Auction Agent, or the Trustee, if at the time there is no Auction Agent) or, (B) if the failure to make such calculation was for any other reason or if the Index is not ascertainable on such date, the prior Auction Period shall be extended for seven days and the Applicable Rate for the period as so extended shall be the same as the Applicable Rate for the Auction Period prior to the extension, and (ii) if the preceding Auction Period was a period of greater than 35 days, (A) a new Auction Period shall be established for a period that ends on the seventh day following the day that was the last day of the preceding Auction Period, (or if such seventh day is not followed by a Business Day then to the next succeeding day which is followed by a Business Day) if the failure to make such calculation was because there was not at the time a duly appointed and acting Auction Agent or Broker-Dealer, and the Applicable Rate for the new Auction Period shall be the percentage of the Index set forth in Section 4(f) below if the Index is ascertainable on such date (by the Auction Agent, if there is at the time an Auction Agent, or the Trustee, if at the time there is no Auction Agent) or, (B) if the failure to make such calculation was for any other reason or if the Index is not ascertainable on such date, the prior Auction Period shall be extended to

the seventh day following the day that would have been the last day of the preceding Auction Period (or if such seventh day is not followed by a Business Day then to the next succeeding day that is followed by a Business Day) and the

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Applicable Rate for the period as so extended shall be the same as the Applicable Rate for the Auction Period prior to the extension. In the event a new Auction Period is established as set forth in clause (ii) (A) above, an Auction shall be held on the last Business Day of the new Auction Period to determine an Auction Rate for an Auction Period beginning on the Business Day immediately following the last day of the new Auction Period and ending on the date on which the Auction Period otherwise would have ended had there been no new Auction Period or Auction Periods subsequent to the last Auction Period for which a Winning Bid Rate had been determined. In the event an Auction Period is extended as set forth in clause (i) (B) or (ii) (B) above, an Auction shall be held on the last Business Day of the Auction Period as so extended to determine an Auction Rate for an Auction Period beginning on the Business Day immediately following the last day of the extended Auction Period and ending on the date on which the Auction Period otherwise would have ended had there been no extension of the prior Auction Period.

Notwithstanding the foregoing, neither new nor extended Auction Periods shall total more than 35 days in the aggregate. If at the end of the 35 days the Auction Agent fails to calculate or provide the Auction Rate, or there is not at the time a duly appointed and acting Auction Agent or Broker-Dealer, the Applicable Rate shall be the Maximum Rate.

(d) In the event of a failed conversion from an Auction Period to any other period or in the event of a failure to change the length of the current Auction Period due to the lack of Sufficient Clearing Bids at the Auction on the Auction Date for the first new Auction Period, the Applicable Rate for the next Auction Period shall be the Maximum Rate and the Auction Period shall be a seven-day Auction Period.

(e) If the _____ Notes are no longer maintained in book-entry-only form by the Securities Depository, then the Auctions shall cease and the Applicable Rate shall be the Maximum Rate.

(f) The percentage of the Index in Section 4(c) is 100%.

5. Allocation of _____ Notes. (a) In the event of Sufficient Clearing Bids for the _____ Notes of a series subject to the further provisions of paragraphs (c) and (d) of this Section 5. Submitted Orders for _____ Notes of the series shall be accepted or rejected as follows in the following order of priority:

(i) the Submitted Hold Order of each Existing Holder shall be accepted, thus requiring each such Existing Holder to continue to hold the _____ Notes that are the subject of such Submitted Hold Order;

(ii) the Submitted Sell Order of each Existing Holder shall be accepted and the Submitted Bids of each Existing Holder specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each Existing Holder to sell the _____ Notes that are the subject of such Submitted Sell Order or Submitted Bid;

(iii) the Submitted Bid of each Existing Holder specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Existing Holder to continue to hold the _____ Notes that are the subject of the Submitted Bid;

(iv) the Submitted Bid of each Potential Holder specifying any rate that is lower than the Winning Bid Rate for _____ Notes of the series shall be accepted, thus requiring each such Potential Holder to purchase the _____ Notes that are the subject of the Submitted Bid;

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(v) the Submitted Bid of each Existing Holder specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Existing Holder to continue to hold the _____ Notes of the series that are the subject of the Submitted Bid, but only up to and including the number of Units of _____ Notes of such series obtained by multiplying (A) the aggregate number of Units of _____ Notes which are not the subject of Submitted Hold Orders described in clause (i) of this paragraph (a) or of Submitted Bids described in clauses (iii) and (iv) of this paragraph (a) by (B) a fraction, the numerator of which shall be the number of Units of _____ Notes held by such Existing Holder subject to such Submitted Bid and the denominator of which shall be the aggregate number of Units of _____ Notes subject to such Submitted Bids made by all such Existing Holders that specified a rate equal to the Winning Bid Rate, and the remainder, if any, of such Submitted Bid shall be rejected, thus requiring each such Existing Holder to sell any excess amount of _____ Notes;

(vi) the Submitted Bid of each Potential Holder specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Potential Holder to purchase the _____ Notes of the series that are the subject of such Submitted Bid, but only in an amount equal to the number of Units of _____ Notes of such series obtained by multiplying (A) the aggregate number of Units of Outstanding _____ Notes which are not the subject of Submitted Hold Orders described in clause (i) of this paragraph (a) or of Submitted Bids described in clauses (iii), (iv) or (v) of this paragraph (a) by (B) a fraction, the numerator of which shall be the number of Units of _____ Notes subject to such Submitted Bid and the denominator of which shall be the sum of the aggregate number of Units of _____ Notes subject to such Submitted Bids made by all such Potential Holders that specified a rate equal to the Winning Bid Rate, and the remainder of such Submitted Bid shall be

rejected; and

(vii) the Submitted Bid of each Potential Holder specifying any rate that is higher than the Winning Bid Rate shall be rejected.

(b) In the event there are not Sufficient Clearing Bids for the _____ Notes of a series, Submitted Orders for the _____ Notes of the series shall be accepted or rejected as follows in the following order of priority:

(i) the Submitted Hold Order of each Existing Holder shall be accepted, thus requiring each such Existing Holder to continue to hold the _____ Notes that are the subject of such Submitted Hold Order;

(ii) the Submitted Bid of each Existing Holder specifying any rate that is not higher than the Maximum Rate shall be accepted, thus requiring each such Existing Holder to continue to hold the _____ Notes that are the subject of such Submitted Bid;

(iii) the Submitted Bids specifying any rate that is not higher than the Maximum Rate for the _____ Notes shall be accepted, thus requiring each such Potential Holder to purchase the _____ Notes that are the subject of such Submitted Bid; and

(iv) the Submitted Sell Orders of each Existing Holder shall be accepted as Submitted Sell Orders and the Submitted Bids of each Existing Holder specifying any rate that is higher than the Maximum Rate shall be deemed to be and shall be accepted as Submitted Sell Orders, in both cases only up to and including the number of Units of _____ Notes of

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such series obtained by multiplying (A) the number of Units of _____ Notes subject to Submitted Bids described in clause (iii) of this paragraph (b) by (B) a fraction, the numerator of which shall be the number of Units of _____ Notes held by such Existing Holder subject to such Submitted Sell Order or such Submitted Bid deemed to be a Submitted Sell Order and the denominator of which shall be the number of Units of _____ Notes subject to all such Submitted Sell Orders and such Submitted Bids deemed to be Submitted Sell Orders, and the remainder of each such Submitted Sell Order or Submitted Bid shall be deemed to be and shall be accepted as a Hold Order and each such Existing Holder shall be required to continue to hold such excess amount of _____ Notes; and

(v) the Submitted Bid of each Potential Holder specifying any rate that is higher than the Maximum Rate shall be rejected.

6. Notice of Applicable Rate. (a) On each Auction Date, the Auction Agent shall notify each Broker-Dealer that participated in the Auction held on such Auction Date by electronic means acceptable to the Auction Agent and the applicable Broker-Dealer of the following, with respect to the _____ Notes of a series for which an Auction was held on such Auction Date:

(i) the Applicable Rate determined on such Auction Date for the succeeding Auction Period;

(ii) whether Sufficient Clearing Bids existed for the determination of the Winning Bid Rate;

(iii) if such Broker-Dealer submitted a Bid or a Sell Order on behalf of an Existing Holder, whether such Bid or Sell Order was accepted or rejected and the number of Units of _____ Notes of the series, if any, to be sold by such Existing Holder;

(iv) if such Broker-Dealer submitted a Bid on behalf of a Potential Holder, whether such Bid was accepted or rejected and the number of Units of _____ Notes of the series, if any, to be purchased by such

Potential Holder;

(v) if the aggregate number of Units of _____ Notes of a series to be sold by all Existing Holders on whose behalf such Broker-Dealer submitted Bids or Sell Orders is different from the aggregate number of Units of _____ Notes of such series to be purchased by all Potential Holders on whose behalf such Broker-Dealer submitted a Bid, the name or names of one or more Broker-Dealers (and the Agent Member, if any, of each such other Broker-Dealer) and the number of Units of _____ Notes of such series to be (A) purchased from one or more Existing Holders on whose behalf such other Broker-Dealers submitted Bids or Sell Orders or (B) sold to one or more Potential Holders on whose behalf such Broker-Dealer submitted Bids; and

(vi) the immediately succeeding Auction Date.

(b) On each Auction Date, with respect to each series of _____ Notes for which an Auction was held on such Auction Date, each Broker-Dealer that submitted an Order on behalf of any Existing Holder or Potential Holder shall: (i) if requested by an Existing Holder or a Potential Holder advise such Existing Holder or Potential Holder on whose behalf such Broker-Dealer submitted an Order as to (A) the Applicable Rate determined on such Auction Date, (B) whether any Bid or Sell Order submitted on behalf of each such Owner was accepted or rejected and (C) the immediately succeeding Auction Date; (ii) instruct each Potential Holder on whose behalf such Broker-Dealer

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submitted a Bid that was accepted, in whole or in part, to instruct such Potential Holder's Agent Member to pay to such Broker-Dealer (or its Agent Member) through the Securities Depository the amount necessary to purchase the number of Units of _____ Notes of such series to be purchased pursuant to such Bid against receipt of such _____ Notes; and (iii) instruct each Existing Holder on whose behalf such Broker-Dealer submitted a Sell Order that was accepted or a Bid that was rejected in whole or in part, to instruct such Existing Holder's Agent Member to deliver to such Broker-Dealer (or its Agent Member) through the Securities Depository the number of Units of _____ Notes of the series to be sold pursuant to such Bid or Sell Order against payment therefor.

(c) The Auction Agent shall give notice of the Auction Rate to the Company and the Trustee by mutually acceptable electronic means and the Trustee shall promptly give notice of such Auction Rate to the Securities Depository.

7. Miscellaneous Provisions Regarding Auctions. (a) In this Appendix B-I, each reference to the purchase, sale or holding of _____ Notes shall refer to beneficial interests in _____ Notes, unless the context clearly requires otherwise.

(b) During an auction Rate Period with respect to each series of _____ Notes, the provisions of the Indenture and the definitions contained therein and described in this Appendix B-I, including without limitation the definitions of All Hold Rate, Interest Payment Date, Maximum Rate, and Applicable Rate, may be amended pursuant to the Indenture by obtaining the consent of the majority of the owners of the affected Outstanding _____ Notes of a series bearing interest at the Applicable Rate as follows. If on the first Auction Date occurring at least 20 days after the date on which the Trustee mailed notice of such proposed amendment to the registered owners of the affected Outstanding _____ Notes of the series, (i) the Applicable Rate which is determined on such date is the Winning Bid

Rate or the All Hold Rate and (ii) there is delivered to the Company and the Trustee an opinion of counsel to the effect that such amendment shall not adversely affect the validity of the _____ Notes of the series or any exemption from federal income tax to which the interest on the _____ Notes of the series would otherwise be entitled, the proposed amendment shall be deemed to have been consented to by the owners of all affected Outstanding _____ Notes of the series bearing interest at the Applicable Rate.

(c) If the Securities Depository notifies the Company that it is unwilling or unable to continue as registered owner of the _____ Notes of a series or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation and a successor to the Securities Depository is not appointed by the Company within 90 days after the Company receives notice or becomes aware of such condition, as the case may be, the Auctions shall cease and the Company shall execute and the Trustee shall authenticate and deliver certificates representing the _____ Notes of the series. Such _____ Notes shall be registered in such names and Authorized Denominations as the Securities Depository, pursuant to instructions from the Agent Members or otherwise, shall instruct the Company and the Trustee.

(d) During an Auction Period, so long as the ownership of the _____ Notes of a series is maintained in book-entry form by the Securities Depository, an Existing Holder or a Beneficial Owner may sell, transfer or otherwise dispose of a _____ Note only pursuant to a Bid or Sell Order in accordance with the Auction Procedures or to or through a Broker-Dealer, provided that (i) in the case of all transfers other than pursuant to Auctions such Existing Holder or its Broker-Dealer or its Agent Member advises the Auction Agent of such transfer and (ii) a sale, transfer or other disposition of _____ Notes of the series from a customer of a Broker-Dealer who is listed on

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the records of that Broker-Dealer as the holder of such _____ Notes to that Broker-Dealer or another customer of that Broker-Dealer shall not be deemed to be a sale, transfer or other disposition for purposes of this paragraph if such Broker-Dealer remains the Existing Holder of the _____ Notes so sold, transferred or disposed or immediately after such sale, transfer or disposition.

8. Changes in Auction Period or Auction Date.

(a) Changes in Auction Period.

(i) During any Auction Period, the Issuer, may, from time to time on the Interest Payment Date immediately following the end of any Auction Period, change the length of the Auction Period with respect to all of the _____ Notes of a series in order to accommodate economic and financial factors that may affect or be relevant to the length of the Auction Period and the rate of _____ Notes of such series. The Company shall initiate the change in the length of the Auction Period by giving written notice to the Trustee, Auction Agent, the Broker-Dealers and the Securities Depository that the Auction Period shall change if the conditions described herein are satisfied and the proposed effective date of the change, at least 10 Business Days prior to the Auction Date for such Auction Period.

(ii) Any such changed Auction Period shall be for a period of one day, seven-days, 28-days, 35-days, three months, six months and shall be for all of the _____ Notes of such series.

(iii) The change in length of the Auction Period shall take effect only if Sufficient Clearing Bids exist at the Auction on the Auction Date for such new Auction Period. For purposes of the Auction for such new Auction Period only, except to the extent such Existing Holder submits an Order with respect to such _____ Notes each Existing Holder shall be deemed to have submitted Sell Orders with respect to all of its _____ Notes of such series if the change is to a longer Auction Period and a

Hold Order if the change is to a shorter Auction Period. If there are not Sufficient Clearing Bids for the first Auction Period, the Auction Rate for the new Auction Period shall be the Maximum Rate, and the Auction Period shall be a seven-day Auction Period.

(b) *Changes in Auction Date.* During any Auction Period, the Auction Agent, at the direction of the Company, may specify an earlier or later Auction Date (but in no event more than five Business Days earlier or later) than the Auction Date that would otherwise be determined in accordance with the definition of Auction Date in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date and the rate of the _____ Notes of the series. The Auction Agent shall provide notice of the Company's direction to specify an earlier Auction Date for an Auction Period by means of a written notice delivered at least 45 days prior to the proposed changed Auction Date to the Company, the Broker-Dealers and the Securities Depository. In the event that Auction Agent is instructed to specify an earlier Auction Date, the days of the week on which an Auction Period begins and ends and the Interest Payment Date shall be adjusted accordingly.

(c) *Changes Resulting from Unscheduled Holidays.* If, in the opinion of the Auction Agent and the Broker-Dealers, there is insufficient notice of an unscheduled holiday to allow the efficient implementation of the Auction Procedures set forth herein, the Auction Agent and the Broker-Dealers may, as they deem appropriate, and after providing notice to the Company, set a different Auction Date and adjust any Interest Payment Dates and Auction Periods affected by such unscheduled holiday. In the event there is not agreement among the Broker-Dealers, the Auction Agent shall set the different Auction

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Date and make such adjustments as directed by a majority of the Broker-Dealers (based on the number of Units for which a Broker-Dealer is listed as the Broker-Dealer in the Existing Holder registry maintained by the Auction Agent pursuant to Section 2.2 of the Auction Agreement), and, if there is not a majority so directing, the Auction Date shall be moved to the next succeeding Business Day following the scheduled Auction Date, and the Interest Payment Date and the Auction Period shall be adjusted accordingly.

9. Index.

(a) If for any reason on any Auction Date the Index shall not be determined as provided in Appendix A-I _____ Auction Procedures, the Index shall be the Index for the prior Business Day.

(b) The determination of the Index as provided in the Indenture and Appendix B-I _____ Auction Procedures shall be conclusive and binding upon the Company, the Trustee, the Broker-Dealers, the Auction Agent and the holders of the _____.

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APPENDIX C DESCRIPTION OF RATINGS⁽¹⁾

Moody's Prime Rating System

Moody's short-term ratings are opinions of the ability of issuers to honor senior financial obligations and contracts. Such obligations generally have an original maturity not exceeding one year, unless explicitly noted.

Moody's employs the following designations, all judged to be investment grade, to indicate the relative repayment ability of rated issuers:

Prime-1: Issuers rated Prime-1 (or supporting institutions) have a superior ability for repayment of senior short-term debt obligations. Prime-1 repayment ability will often be evidenced by many of the following characteristics:

Leading market positions in well-established industries. High rates of return on funds employed. Conservative capitalization structure with moderate reliance on debt and ample asset protection. Broad margins in earnings coverage of fixed financial charges and high internal cash generation. Well-established access to a range of financial markets and assured sources of alternate liquidity.

Prime-2: Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay senior short-term debt obligations. This will normally be evidenced by many of the characteristics cited above, but to a lesser degree. Earnings trends and coverage ratios, while sound, may be more subject to variation than is the case for Prime-1 securities. Capitalization characteristics, while still appropriate, may be more affected by external conditions. Ample alternate liquidity is maintained.

Prime-3: Issuers (or supporting institutions) rated Prime-3 have an acceptable ability for repayment of senior short-term obligations. The effect of industry characteristics and market compositions may be more pronounced. Variability in earnings and profitability may result in changes in the level of debt-protection measurements and may require relatively high financial leverage.

Adequate alternate liquidity is maintained.

Not Prime: Issuers rated Not Prime do not fall within any of the Prime rating categories.

In addition, in certain countries the prime rating may be modified by the issuer's or guarantor's senior unsecured long-term debt rating.

Moody's Debt Ratings

Aaa: Bonds and preferred stock which are rated Aaa are judged to be of the best quality. They carry the smallest degree of investment risk and are generally referred to as gilt edged. Interest payments are protected by a large or by an exceptionally stable margin and principal is secure. While the various protective elements are likely to change, such changes as can be visualized are most unlikely to impair the fundamentally strong position of such issues.

(1) The ratings indicated herein are believed to be the most recent ratings available at the date of this prospectus for the securities listed. Ratings are generally given to securities at the time of issuance. While the rating agencies may from time to time revise such ratings, they undertake no obligation to do so, and the ratings indicated do not necessarily represent ratings which will be given to these securities on the date of the fund's

fiscal year-end.

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Aa: Bonds and preferred stock which are rated Aa are judged to be of high quality by all standards. Together with the Aaa group they comprise what are generally known as high-grade bonds. They are rated lower than the best bonds because margins of protection may not be as large as in Aaa securities or fluctuation of protective elements may be of greater amplitude or there may be other elements present which make the long-term risk in Aa-rated securities appear somewhat larger than those securities rated Aaa.

A: Bonds and preferred stock which are rated A possess many favorable investment attributes and are to be considered as upper-medium-grade obligations. Factors giving security to principal and interest are considered adequate, but elements may be present which suggest a susceptibility to impairment some time in the future.

Baa: Bonds and preferred stock which are rated Baa are considered as medium-grade obligations (i.e., they are neither highly protected nor poorly secured). Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

Ba: Bonds and preferred stock which are rated Ba are judged to have speculative elements; their future cannot be considered as well-assured. Often the protection of interest and principal payments may be very moderate, and thereby not well safeguarded during both good and bad times over the future. Uncertainty of position characterizes bonds in this class.

B: Bonds and preferred stock which are rated B generally lack characteristics of the desirable investment. Assurance of interest and principal payments or of maintenance of other terms of the contract over any long period of time may be small.

Caa: Bonds and preferred stock which are rated Caa are of poor standing. Such issues may be in default or there may be present

elements of danger with respect to principal or interest.

C_a: Bonds and preferred stock which are rated Ca represent obligations which are speculative in a high degree. Such issues are often in default or have other marked shortcomings.

C: Bonds and preferred stock which are rated C are the lowest rated class of bonds, and issues so rated can be regarded as having extremely poor prospects of ever attaining any real investment standing.

Moody's assigns ratings to individual debt securities issued from medium-term note (MTN) programs, in addition to indicating ratings to MTN programs themselves. Notes issued under MTN programs with such indicated ratings are rated at issuance at the rating applicable to all pari passu notes issued under the same program, at the program's relevant indicated rating, provided such notes do not exhibit any of the characteristics listed below. For notes with any of the following characteristics, the rating of the individual note may differ from the indicated rating of the program:

- 1) Notes containing features which link the cash flow and/or market value to the credit performance of any third party or parties.
- 2) Notes allowing for negative coupons, or negative principal.
- 3) Notes containing any provision which could obligate the investor to make any additional payments.

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Market participants must determine whether any particular note is rated, and if so, at what rating level.

Note: Moody's applies numerical modifiers 1, 2, and 3 in each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Standard & Poor's Short-Term Issue Credit Ratings

A-1: A short-term obligation rated A-1 is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.

A-2: A short-term obligation rated A-2 is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

A-3: A short-term obligation rated A-3 exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

B: A short-term obligation rated B is regarded as having significant speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

C: A short-term obligation rated C is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation.

D: A short-term obligation rated D is in payment default. The D rating category is used when payments on an obligation are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period. The D rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action if payments on an obligation are jeopardized.

Standard & Poor's Long-Term Issue Credit Ratings

Issue credit ratings are based, in varying degrees, on the following considerations:

Likelihood of payment-capacity and willingness of the obligor to meet its financial commitment on an obligation in accordance with the terms of the obligation;

Nature of and provisions of the obligation;

Protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization, or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights.

The issue rating definitions are expressed in terms of default risk. As such, they pertain to senior obligations of an entity. Junior obligations are typically rated lower than senior obligations, to reflect the

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lower priority in bankruptcy, as noted above. (Such differentiation applies when an entity has both senior and subordinated obligations, secured and unsecured obligations, or operating company and holding company obligations.) Accordingly, in the case of junior debt, the rating may not conform exactly with the category definition.

AAA: An obligation rated AAA has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA: An obligation rated AA differs from the highest rated obligations only in small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.

A: An obligation rated A is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB: An obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Obligations rated BB, B, CCC, CC, and C are regarded as having significant speculative characteristics. BB indicates the least degree of speculation and C the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

BB: An obligation rated BB is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

B: An obligation rated B is more vulnerable to nonpayment than obligations

rated BB, but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.

CCC: An obligation rated CCC is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.

CC: An obligation rated CC is currently highly vulnerable to nonpayment.

C: A subordinated debt or preferred stock obligation rated C is **currently highly vulnerable** to nonpayment. The C rating may be used to cover a situation where a bankruptcy petition has been filed or similar action taken, but payments on this obligation are being continued. A C also will be assigned to a preferred stock issue in arrears on dividends or sinking fund payments, but that is currently paying.

D: An obligation rated D is in payment default. The D rating category is used when payments on an obligation are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period. The D rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action if payments on an obligation are jeopardized.

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Plus (+) or Minus (-): The ratings from AA to CCC may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

⚡: This symbol is attached to the ratings of instruments with significant noncredit risks. It highlights risks to principal or volatility of expected returns which are not addressed in the credit rating.

N.R.: This indicates that no rating has been requested, that there is insufficient information on which to base a rating, or that Standard & Poor's does not rate a particular obligation as a matter of policy.

Local Currency and Foreign Currency Risks

Country risk considerations are a standard part of Standard & Poor's analysis for credit ratings on any issuer or issue. Currency of repayment is a key factor in this analysis. An obligor's capacity to repay foreign currency obligations may be lower than its capacity to repay obligations in its local currency due to the sovereign government's own relatively lower capacity to repay external versus domestic debt. These sovereign risk considerations are incorporated in the debt ratings assigned to specific issues. Foreign currency issuer ratings are also distinguished from local currency issuer ratings to identify those instances where sovereign risks make them different for the same issuer.

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**PART C OTHER INFORMATION
ITEM 25: FINANCIAL STATEMENTS
AND EXHIBITS**

1. Financial Statements:

The Registrant's audited statement of assets and liabilities and statement of operations dated _____, 2007, notes to such statements and report of independent public accountants thereon will be filed by amendment.

2. Exhibits:

- a.1. Agreement and Declaration of Trust. (1)
- a.2. Certificate of Trust. (1)
- b. By-laws. (3)
- c. None.

(1) Incorporated by reference to Registrant's Registration Statement on Form N-2 (1933 Act File No. 333-103824) as filed with the Commission on March 14, 2003.

(2) Incorporated by reference to Pre-Effective Amendment No. 2 to Registrant's Registration Statement on Form N-2 (1933 Act File No. 333-103824) as filed with the Commission on May 27, 2003.

(3) Incorporated by reference to Registrant's Registration Statement on Form N-2 (1933 Act File No.

333-132636) as
filed with the
Commission on
March 22, 2006.

(4) To be filed by
amendment.

(5) Filed herewith.
ITEM 26: MARKETING
ARRANGEMENTS

Reference will be made to the forms of
underwriting agreement for the Registrant's
common shares, preferred shares and notes to
be filed in an amendment to the Registrant's
Registration Statement.

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ITEM 27: OTHER OFFERING EXPENSES AND DISTRIBUTION

The following table sets forth the estimated expenses to be incurred in connection with the offering described in this Registration Statement:

Registration fees	\$ *
Printing (other than certificates)	*
NYSE Listing fees	*
NASD fees	*
Rating Agency fees	*
Accounting fees and expenses	*
Legal fees and expenses	*
 Total	 \$ *

* To be completed by amendment.

ITEM 28. PERSONS CONTROLLED BY OR UNDER COMMON CONTROL

None.

ITEM 29. NUMBER OF HOLDERS OF SECURITIES

As of _____, the number of record holders of each class of securities of the Registrant was

TITLE OF CLASS	NUMBER OF RECORD HOLDERS
Common shares (no par value)	*
Preferred Shares (Liquidation Preference \$25,000 per share)	
Series M	*
Series TU	*
Series W	*
Series TH	*
Series F	*
Series A	*

* To be completed by

amendment.

ITEM 30. INDEMNIFICATION

The Registrant's Agreement and Declaration of Trust (the Declaration), dated March 12, 2003, provides that every person who is, or has been, a Trustee or an officer, employee or agent of the Registrant (including any individual who serves at its request as director, officer, partner, employee, Trustee, agent or the like of another organization in which it has any interest as a shareholder, creditor or otherwise (Covered Person)) shall be indemnified by the Registrant or the appropriate series of the Registrant to the fullest extent permitted by law against liability and against all expenses reasonably incurred or paid by him in connection with any claim, action, suit or proceeding in which he becomes involved as a party or otherwise by virtue of his being or having been a Covered Person and against amounts paid or incurred by him in the settlement thereof; provided that no indemnification shall be provided to a Covered Person (i) who shall have been adjudicated by a court or body before which the proceeding was brought (A) to be liable to the Registrant or its shareholders by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office, or (B) not to have acted in good faith and in a manner the person reasonably believed to be or not opposed to the best interest of the Registrant; or (ii) in the event of a settlement, unless there has been a determination that such Covered Person did not engage in willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office; (A) by the court or other body approving the settlement; (B) by at least a majority of those Trustees who are neither Interested Persons of the Trust nor are parties to the matter based upon a review of readily available facts (as opposed to a full trial-type inquiry); (C) by written opinion of independent legal counsel based upon a review of readily available facts (as opposed to a full trial-type inquiry) or (D) by a vote of a majority of the Outstanding Shares entitled to vote (excluding any Outstanding Shares owned of record or

beneficially by such individual).
The Declaration also provides that if any shareholder or former shareholder of the Registrant shall be held personally liable solely by reason of his being or having been a shareholder and not because of his acts or omissions or for some other reason, the shareholder or former shareholder (or

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his heirs, executors, administrators or other legal representatives or in the case of any entity, its general successor) shall be entitled out of the assets belonging to the Registrant to be held harmless from and indemnified against all loss and expense arising from such liability. The Registrant shall, upon request by such shareholder, assume the defense of any claim made against such shareholder for any act or obligation of the series and satisfy any judgment thereon from the assets of the series.

The Registrant, its Trustees and officers, its investment adviser, the other investment companies advised by the adviser and certain persons affiliated with them are insured, within the limits and subject to the limitations of the insurance, against certain expenses in connection with the defense of actions, suits or proceedings, and certain liabilities that might be imposed as a result of such actions, suits or proceedings. The insurance expressly excludes coverage for any Trustee or officer whose personal dishonesty, fraudulent breach of trust, lack of good faith, or intention to deceive or defraud has been finally adjudicated or may be established or who willfully fails to act prudently.

Insofar as indemnification for liability arising under the Securities Act of 1933, as amended (the 1933 Act), may be available to Trustees, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the 1933 Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant's expenses incurred or paid by a Trustee, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such Trustee, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a

court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the 1933 Act and will be governed by the final adjudication of such issue.

ITEM 31. BUSINESS AND OTHER CONNECTIONS OF INVESTMENT ADVISER

The information in the Statement of Additional Information under the caption Management Trustees and Officers is incorporated by reference.

ITEM 32. LOCATION OF ACCOUNTS AND RECORDS

All such accounts, books, and other documents are maintained at the offices of the Registrant, at the offices of the Registrant's investment manager, Calamos Advisors LLC 2020 Calamos Court, Naperville, Illinois 60563, at the offices of the custodian, 100 Church Street, New York, New York 10286 or at the offices of the transfer agent, 111 8th Avenue, New York, New York 10011 5201.

ITEM 33. MANAGEMENT SERVICES

Not applicable.

ITEM 34. UNDERTAKINGS

1. The Registrant undertakes to suspend the offering of shares until the prospectus is amended if (1) subsequent to the effective date of its registration statement, the net asset value declines more than ten percent from its net asset value as of the effective date of the registration statement or (2) the net asset value increases to an amount greater than its net proceeds as stated in the prospectus.

2. Not applicable.

3. Not applicable.

4. Not applicable.

5. (a) For the purposes of determining any liability under the 1933 Act, the information omitted from the form of prospectus filed as part of a registration statement in reliance upon Rule 430A and contained in the form of prospectus filed by the Registrant under Rule 497(h) under the 1933 Act shall be deemed to be part of the Registration Statement as of the time it was declared effective.

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(b) For the purpose of determining any liability under the 1933 Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of the securities at that time shall be deemed to be the initial bona fide offering thereof.

6. The Registrant undertakes to send by first class mail or other means designed to ensure equally prominent delivery within two business days of receipt of a written or oral request the Registrant's statement of additional information.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 and/or Investment Company Act of 1940, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in this City of Naperville and State of Illinois, on the 26th day of October, 2007.

**CALAMOS
 CONVERTIBLE AND
 HIGH INCOME FUND**

By: /s/ John P.
 Calamos
 John P.
 Calamos,
 Trustee and
 President

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the date(s) indicated.

Name	Title	Date
/s/ John P. Calamos	Trustee and President (principal) October 26, 2007))
John P. Calamos	executive officer))
*	Trustee))
Joe F. Hanauer))
*	Trustee))
Weston W. Marsh))
*	Trustee))

John E.
Neal

)

Trustee

)

*

)

William
Rybak

)

Trustee

)

*

)

Stephen B.
Timbers

Trustee

)

*

)

David D.
Tripple

/s/ Patrick
H. Dudasik

Vice
President
(principal
financial
and
accounting
officer)

)

)

)

October 26, 2007

* John P. Calamos
signs this
document
pursuant to
powers of
attorney filed
herewith.

By: /s/ John P.
Calamos
John P.
Calamos
Attorney-In-Fact
October 26,
2007

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