

Nuveen Build America Bond Fund  
Form N-CSRS  
December 05, 2014

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-22391

Nuveen Build America Bond Fund  
(Exact name of registrant as specified in charter)

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

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

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

Date of fiscal year end: March 31

Date of reporting period: September 30, 2014

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

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

ITEM 1. REPORTS TO STOCKHOLDERS.

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NUVEEN INVESTMENTS ACQUIRED BY TIAA-CREF

On October 1, 2014, TIAA-CREF completed its previously announced acquisition of Nuveen Investments, Inc., the parent company of your fund's investment adviser, Nuveen Fund Advisors, LLC ("NFAL") and the Nuveen affiliates that act as sub-advisers to the majority of the Nuveen Funds. TIAA-CREF is a national financial services organization with approximately \$840 billion in assets under management as of October 1, 2014 and is a leading provider of retirement services in the academic, research, medical and cultural fields. Nuveen expects to operate as a separate subsidiary within TIAA-CREF's asset management business. Nuveen's existing leadership and key investment teams have remained in place following the transaction.

NFAL and your fund's sub-adviser(s) continue to manage your fund according to the same objectives and policies as before, and there have been no changes to your fund's operations.

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Chairman's Letter to Shareholders

Dear Shareholders,

Over the past year, global financial markets were generally strong as stocks of many countries rose due to strengthening economies and abundant central bank support. A low and stable interest rate environment allowed the bond market to generate modest but positive returns.

More recently, markets have been less certain as economic growth is strengthening in some parts of the world, but in other areas recovery has been slow or uneven at best. Despite increasing market volatility, geopolitical turmoil and concerns over rising rates, better-than-expected earnings results and economic data have supported U.S. stocks. Europe continues to face challenges as disappointing growth and inflation measures led the European Central Bank to further cut interest rates. Japan is suffering from the burden of the recent consumption tax as the government's structural reforms continue to steadily progress. Flare-ups in hotspots, such as the ongoing Russia-Ukraine conflict and Middle East, have not yet been able to derail the markets, though that remains a possibility. With all the challenges facing the markets, accommodative monetary policy around the world has helped lessen the impact of these events.

It is in such changeable markets that professional investment management is most important. Investment teams who have experienced challenging markets in the past understand how their asset class can behave in rapidly changing times. Remaining committed to their investment disciplines during these times is a critical component to achieving long-term success. In fact, many strong investment track records are established during challenging periods because experienced investment teams understand that volatile markets place a premium on companies and investment ideas that can weather the short-term volatility. By maintaining appropriate time horizons, diversification and relying on practiced investment teams, we believe that investors can achieve their long-term investment objectives.

As always, I encourage you to communicate with your financial consultant if you have any questions about your investment in a Nuveen Fund. On behalf of the other members of the Nuveen Fund Board, we look forward to continuing to earn your trust in the months and years ahead.

William J. Schneider  
Chairman of the Board  
November 21, 2014

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Portfolio Manager's Comments

Nuveen Build America Bond Fund (NBB)  
Nuveen Build America Bond Opportunity Fund (NBD)

These Funds feature portfolio management by Nuveen Asset Management, LLC, an affiliate of Nuveen Investments, Inc. Portfolio manager Daniel J. Close, CFA, discusses key investment strategies and the six-month performance of the Nuveen Build America Bond Fund (NBB) and the Nuveen Build America Bond Opportunity Fund (NBD). Dan has managed NBB and NBD since their inceptions in April 2010 and November 2010, respectively.

What key strategies were used to manage NBB and NBD during the six-month reporting period ended September 30, 2014?

During this reporting period, the rally in the municipal market continued, driven by strong technicals reinforced by an environment of improving fundamentals. Overall, the performance of the Build America Bonds (BAB) market was positive for the reporting period, reflecting the decline in interest rates and the rally in longer dated Treasuries.

NBB and NBD are designed to invest primarily in BABs and other taxable municipal bonds. The primary investment objective of these two Funds is to provide current income through investments in taxable municipal securities. Their secondary objective is to seek enhanced portfolio value and total return. The Funds offer strategic portfolio diversification opportunities for traditional municipal bond investors, while providing investment options to investors that have not traditionally purchased municipal bonds, including public and corporate retirement plans, endowments, life insurance companies and sovereign wealth funds. For these investors, the Funds can offer investment grade municipal credit, current income and strong call protection.

With the end of the BAB new issuance program in 2010, our focus continued to be on taking advantage of opportunities to add value and improve the liquidity profiles of both NBB and NBD by purchasing additional benchmark BAB issues in the secondary market. Benchmark BAB issues, which typically offer more liquidity than their non-benchmark counterparts, are defined as BABs over \$250 million in size and therefore eligible for inclusion in the Barclays Aggregate-Eligible Build America Bond Index. Their greater liquidity makes them potentially easier to sell at Fund termination. In contrast, non-benchmark BABs generally are smaller issues that may offer the same credit quality as benchmark BABs, but sometimes require more detailed credit reviews before purchase and consequently may be less liquid.

Overall, our strategy during this reporting period was to continue to add value by pursuing active management. In both Funds, the majority of our purchases were additions to positions in BABs that we already held in our portfolios, most of which were index-eligible. In NBB, we also implemented relative value trades as we found attractive opportunities. One such trade involved selling non-benchmark BABs issued for the Nashville and Davidson County Convention Center Authority (Tennessee) and reinvesting the proceeds in benchmark BABs issued for the Washington State Convention Center. In another such trade, we sold non-benchmark BABs issued by the Metropolitan Washington Airports Authority for the Dulles Toll Road (Virginia) and purchased an index-eligible

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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 manager as of the date of this report. Actual future results or occurrences may differ significantly from those anticipated in any forward-looking statements, and the views expressed herein are subject to change at any time, due to numerous market and other factors. The Funds disclaim any obligation to update publicly or revise any forward-looking statements or views expressed herein.

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

Bond insurance guarantees only the payment of principal and interest on the bond when due, and not the value of the bonds themselves, which will fluctuate with the bond market and the financial success of the issuer and the insurer. Insurance relates specifically to the bonds in the portfolio and not to the share prices of a Fund. No representation is made as to the insurers' ability to meet their commitments.

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Portfolio Manager's Comments (continued)

issue of the same bond. Both of these trades, with the sales made into strong market demand, enhanced the liquidity of the Fund. NBB also added to its position in zero coupon BABs issued by the Alameda Corridor Transportation Authority (California) and purchased a high yielding taxable municipal bond issue for a charter school. To make room for the charter school purchase, NBB sold taxable municipal bonds issued by the Houston Utility System, a recent addition to NBB's portfolio that had appreciated since our purchase. In general, NBD saw less trading activity than NBB due to the fact that, because of the timing of its inception, it was invested primarily in the more liquid benchmark BABs from the beginning. One purchase of note in NBD was the same index-eligible BAB for Metropolitan Washington Airports Authority for the Dulles Toll Road that we had bought for NBB.

Cash for purchases was generated by the sales previously described as well as some sales of odd-lot matchers. In addition, due to changes in the regulatory environment that now require the posting of cash to meet daily margin calls, the Funds had to make small sales in order to meet margin calls as necessary. Previously, if interest rates rose on a daily basis, the Funds had been able to pledge municipal bonds as collateral and avoid selling to generate cash.

Shareholders should note that, because there was no new issuance of BABs or similar U.S. Treasury-subsidized taxable municipal bonds for the 24-month period ended December 31, 2012, the Funds' contingent term provisions went into effect on January 1, 2013. During the reporting period ended September 30, 2014, NBB and NBD were managed in line with termination dates on or around June 30, 2020, and December 31, 2020, respectively, with the distribution of the Funds' assets to shareholders planned for those times. We continued our efforts to maximize the Funds' liquidity and better position NBB and NBD for termination. Even though the Funds are scheduled to terminate, we believe the opportunity still exists to add value for the shareholders of these Funds through active management and strong credit research.

How did these Funds perform over the six-month reporting period ended September 30, 2014?

The tables in each Fund's Performance Overview and Holding Summaries section of this report provide the Funds' total returns for the six-month, one-year and since-inception periods ended September 30, 2014. Each Fund's total returns at net asset value (NAV) are compared with the performance of a corresponding market index.

For the six months ended September 30, 2014, the total return at common share NAV for NBB exceeded the return for the Barclays Aggregate-Eligible Build America Bond Index, while NBD underperformed this index. Key management factors that influenced the returns of NBB and NBD included duration and yield curve positioning, the use of derivatives, credit exposure and sector allocation.

During this reporting period, as the market rallied, duration and yield curve positioning relative to the Barclays Aggregate-Eligible Build America Bond Index detracted from the performance of NBB and NBD. Both Funds generally were underweighted in the outperforming longest segment of the curve and overweighted in the shorter segments that underperformed.

As part of their approach to investing, NBB and NBD use an integrated leverage and hedging strategy in their efforts to enhance current income and total return, while working to maintain a level of interest rate risk similar to that of the Barclays Aggregate-Eligible Build America Bond Index. As part of this integrated strategy, both NBB and NBD used inverse floating rate securities and bank borrowings as leverage to potentially magnify performance. At the same time, the Funds used interest rate swaps to reduce their leverage-adjusted durations to a level close to that of the Barclays Aggregate-Eligible Build America Bond Index. In addition, the Funds entered into staggered interest rate swaps to partially fix the interest cost of leverage. During this reporting period, the inverse floaters and interest rate swaps performed as expected. As rates declined and bonds with longer maturities outperformed, the use of inverse floaters



was positive for the Funds' performance. However, because NBB and NBD also were using swaps to shorten long term interest rates at a time when rates were falling, the use of swaps had a negative impact on the Funds' total return performance for the reporting period. This impact was greater in NBD, which made greater use of derivatives. Leverage is discussed in more detail later in this report.

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Credit rating exposure also was a factor in the Funds' performance. In general, NBB and NBD received positive contributions from their exposure to BBB-rated credits. NBB also benefited from its AA-rated exposure. However, NBD's holdings of AA-rated bonds were negative for its performance and AAA-rated bonds detracted from the performance of both Funds. Overall, credit exposure was a significant positive in NBB and essentially neutral in NBD.

The Funds' sector allocations were well diversified, with the heaviest weightings in general obligation and other tax-supported bonds, transportation and utilities. The overall impact of this sector allocation was neutral in both Funds.

Given the continued news about economic problems in Puerto Rico and Detroit's bankruptcy filing, we should note that neither NBB nor NBD has any exposure to Puerto Rico BABs. Both Funds hold BABs rated Aa2 issued for the Detroit City School District that are backed by the state of Michigan and high-coupon taxable GO bonds issued by Wayne County, Michigan. Neither the Detroit City School District nor Wayne County bonds are part of the Detroit bankruptcy filing. In regard to the bankruptcy, as of October 2014 (subsequent to the close of this reporting period), all of the major creditors had reached agreement on Detroit's plan to restructure its \$18 billion of debt and emerge from bankruptcy and a ruling by the U.S. Bankruptcy Court on the fairness, legality and feasibility of the city's bankruptcy exit plan was confirmed on November 7, 2014.

## Fund Leverage

## IMPACT OF THE FUNDS' LEVERAGE STRATEGIES ON PERFORMANCE

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

As of September 30, 2014, the Funds' percentages of leverage are as shown in the accompanying table.

|                      | NBB    | NBD    |
|----------------------|--------|--------|
| Effective Leverage*  | 28.20% | 28.59% |
| Regulatory Leverage* | 13.03% | 6.39%  |

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

## THE FUNDS' REGULATORY LEVERAGE

## Bank Borrowings

The Funds employ regulatory leverage through the use of bank borrowings. As of September 30, 2014, the Funds have outstanding bank borrowings as shown in the accompanying table.

|                 | NBB           | NBD           |
|-----------------|---------------|---------------|
| Bank Borrowings | \$ 89,000,000 | \$ 11,500,000 |

Refer to Notes to Financial Statements, Note 8 - Borrowing Arrangements for further details.

## Share Information

## DISTRIBUTION INFORMATION

The following information regarding the Funds' distributions is current as of September 30, 2014. 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 monthly distributions to shareholders were as shown in the accompanying table.

| Ex-Dividend Date | Per Share Amounts |           |
|------------------|-------------------|-----------|
|                  | NBB               | NBD       |
| April 2014       | \$ 0.1160         | \$ 0.1140 |
| May              | 0.1160            | 0.1140    |
| June             | 0.1160            | 0.1140    |
| July             | 0.1160            | 0.1140    |
| August           | 0.1160            | 0.1140    |
| September 2014   | 0.1160            | 0.1140    |
| Market Yield*    | 6.83%             | 6.45%     |

\* Market Yield is based on the Fund's current annualized monthly distribution divided by the Fund's current market price as of the end of the reporting period.

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 September 30, 2014, both NBB and NBD had positive UNII balances, based upon our best estimate, for tax purposes. NBB had a negative UNII balance and NBD had a positive UNII balance for financial reporting purposes.

All monthly dividends paid by the Funds during the six months ended September 30, 2014 were paid from net investment income. If a portion of a 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, the Funds' shareholders would have received a notice to that effect. The composition and per share amounts of each Fund's monthly dividends for the reporting period are presented in the Statement of Changes in Net Assets and Financial Highlights, respectively (for reporting purposes) and in Note 6 — Income Tax Information within the accompany Notes to Financial Statements (for income tax purposes), later in this report.



Share Information (continued)

SHARE REPURCHASES

As of September 30, 2014, and since the inception of the Funds' repurchase programs, the Funds have cumulatively repurchased and retired their outstanding shares as shown in the accompanying table.

|   | NBB       | NBD     |
|---|-----------|---------|
| Shares Cumulatively Repurchased and Retired | 0         | 0       |
| Shares Authorized for Repurchase            | 2,645,000 | 720,000 |

OTHER SHARE INFORMATION

As of September 30, 2014, and during the current reporting period, the Funds' share prices were trading at a premium/(discount) to their NAVs as shown in the accompanying table.

|   | NBB      | NBD      |
|---|----------|----------|
| NAV                                       | \$ 22.44 | \$ 23.40 |
| Share Price                               | \$ 20.39 | \$ 21.20 |
| Premium/(Discount) to NAV                 | (9.14)%  | (9.40)%  |
| 6-Month Average Premium/(Discount) to NAV | (9.01)%  | (9.28)%  |

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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. Past performance is no guarantee of future results. Fund shares are subject to a variety of risks, including:

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

**Build America Bonds Risk.** BABs are a form of municipal financing, and the market is smaller, less diverse and potentially less liquid than other types of municipal securities. In addition, bonds issued after December 31, 2010, will not qualify as BABs unless the relevant section of the program is extended. Consequently, if the program is not extended, BABs may be less actively traded which may negatively affect the value of BABs held by the Fund.

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

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

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

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

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

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

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

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





NBB

Nuveen Build America Bond Fund  
Performance Overview and Holding Summaries as of September 30, 2014

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 September 30, 2014

|  | Cumulative | Average Annual | Since                  |
|--|------------|----------------|------------------------|
|  | 6-Month    | 1-Year         | Inception <sup>1</sup> |
| NBB at NAV   | 7.92%      | 18.83%         | 10.57%                 |
| NBB at Share Price                                     | 7.52%      | 21.24%         | 7.50%                  |
| Barclays Aggregate – Eligible Build America Bond Index | 7.15%      | 16.58%         | 10.25%                 |

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.

1 Since inception returns are from 4/27/10.

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Performance Overview and Holding Summaries as of September 30, 2014 (continued)

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.

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

Fund Allocation

(% of net assets)

|                               |         |
|-------------------------------|---------|
| Municipal Bonds               | 121.3%  |
| Short-Term Investments        | 0.4%    |
| Borrowings                    | (15.0)% |
| Floating Rate Obligations     | (8.9)%  |
| Other Assets Less Liabilities | 2.2%    |

Credit Quality

(% of total investment exposure)<sup>2</sup>

|                      |       |
|----------------------|-------|
| AAA/U.S. Guaranteed  | 9.7%  |
| AA                   | 59.6% |
| A                    | 21.8% |
| BBB                  | 6.4%  |
| BB or Lower          | 1.2%  |
| N/R (not rated)      | 1.0%  |
| N/A (not applicable) | 0.3%  |

Portfolio Composition

(% of total investments)<sup>2</sup>

|                        |       |
|------------------------|-------|
| Tax Obligation/Limited | 23.9% |
| Tax Obligation/General | 22.1% |
| Transportation         | 18.2% |
| Utilities              | 17.2% |
| Water and Sewer        | 13.4% |
| Short-Term Investments | 0.3%  |
| Other Industries       | 4.9%  |

States

(% of total long-term investments)<sup>2</sup>

|                |       |
|----------------|-------|
| California     | 21.9% |
| Illinois       | 12.8% |
| New York       | 10.2% |
| Texas          | 8.3%  |
| Ohio           | 5.6%  |
| Michigan       | 4.5%  |
| South Carolina | 4.4%  |
| Nevada         | 4.1%  |

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|              |       |
|--------------|-------|
| Georgia      | 3.9%  |
| Virginia     | 3.5%  |
| Louisiana    | 3.2%  |
| Other States | 17.6% |

2 Excluding investments in derivatives.

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NBD

Nuveen Build America Bond Opportunity Fund  
Performance Overview and Holding Summaries as of September 30, 2014

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 September 30, 2014

|  | Cumulative | Average Annual | Since                  |
|--|------------|----------------|------------------------|
|  | 6-Month    | 1-Year         | Inception <sup>1</sup> |
| NBD at NAV   | 6.22%      | 17.55%         | 11.96%                 |
| NBD at Share Price                                     | 6.77%      | 22.19%         | 8.34%                  |
| Barclays Aggregate – Eligible Build America Bond Index | 7.15%      | 16.58%         | 11.85%                 |

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.

<sup>1</sup> Since inception returns are from 11/23/10.

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Performance Overview and Holding Summaries as of September 30, 2014 (continued)

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.

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

Fund Allocation

(% of net assets)

|                               |        |
|-------------------------------|--------|
| Municipal Bonds               | 109.0% |
| Borrowings                    | (6.8)% |
| Floating Rate Obligations     | (4.3)% |
| Other Assets Less Liabilities | 2.1%   |

Credit Quality

(% of total investment exposure)<sup>2</sup>

|                     |       |
|---------------------|-------|
| AAA/U.S. Guaranteed | 11.7% |
| AA                  | 67.3% |
| A                   | 15.2% |
| BBB                 | 3.6%  |
| BB or Lower         | 1.7%  |
| N/R (not rated)     | 0.5%  |

Portfolio Composition

(% of total investments)<sup>2</sup>

|                        |       |
|------------------------|-------|
| Tax Obligation/Limited | 33.2% |
| Transportation         | 17.9% |
| Water and Sewer        | 16.7% |
| Utilities              | 14.2% |
| Tax Obligation/General | 11.4% |
| Other Industries       | 6.6%  |

States

(% of total investments)<sup>2</sup>

|                |       |
|----------------|-------|
| California     | 19.1% |
| Illinois       | 13.6% |
| New York       | 11.6% |
| South Carolina | 8.4%  |
| New Jersey     | 6.2%  |
| Colorado       | 4.1%  |
| Ohio           | 3.9%  |
| Michigan       | 3.8%  |
| Texas          | 3.8%  |
| Virginia       | 3.5%  |
| Georgia        | 3.2%  |

Other States 18.8%

2 Excluding investments in derivatives.

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## Shareholder Meeting Report

The annual meeting of shareholders was held in the offices of Nuveen Investments on August 5, 2014 for NBB and NBD; at this meeting the shareholders were asked to vote to approve a new investment management agreement, to approve a new sub-advisory agreement and to elect Board Members.

|   | NBB<br>Common<br>shares | NBD<br>Common<br>shares |
|---|-------------------------|-------------------------|
| To approve a new investment management agreement      |                         |                         |
| For   | 10,143,951              | 2,854,468               |
| Against   | 318,140                 | 87,983                  |
| Abstain   | 301,159                 | 66,949                  |
| Broker Non-Votes                                      | 2,993,709               | 963,585                 |
| Total   | 13,756,959              | 3,972,985               |
| To approve a new sub-advisory agreement               |                         |                         |
| For   | 10,092,173              | 2,856,534               |
| Against   | 363,150                 | 89,411                  |
| Abstain   | 307,927                 | 63,455                  |
| Broker Non-Votes                                      | 2,993,709               | 963,585                 |
| Total   | 13,756,959              | 3,972,985               |
| Approval of the Board Members was reached as follows: |                         |                         |
| William Adams IV                                      |                         |                         |
| For   | 13,264,471              | 3,773,209               |
| Withhold  | 492,488                 | 199,776                 |
| Total   | 13,756,959              | 3,972,985               |
| David J. Kundert                                      |                         |                         |
| For   | 13,249,769              | 3,769,286               |
| Withhold  | 507,190                 | 203,699                 |
| Total   | 13,756,959              | 3,972,985               |
| John K. Nelson  |                         |                         |
| For   | 13,257,376              | 3,768,252               |
| Withhold  | 499,583                 | 204,733                 |
| Total   | 13,756,959              | 3,972,985               |
| Terence J. Toth                                       |                         |                         |
| For   | 13,263,814              | 3,776,411               |
| Withhold  | 493,145                 | 196,574                 |
| Total   | 13,756,959              | 3,972,985               |

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NBB

Nuveen Build America Bond Fund  
Portfolio of Investments

September 30, 2014 (Unaudited)

| Principal<br>Amount<br>(000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|------------------------------|---|---------------------------------------|-------------|--------------|
|                              | LONG-TERM INVESTMENTS – 121.3% (99.7% of Total Investments)   |                                       |             |              |
|                              | MUNICIPAL BONDS – 121.3% (99.7% of Total Investments)   |                                       |             |              |
|                              | Alabama – 0.3% (0.3% of Total Investments)  |                                       |             |              |
| \$ 2,000                     | Baptist Health Care Authority, Alabama, An Affiliate of UAB Health System, Taxable Bond Series 2013A, 5.500%, 11/15/43  | No Opt. Call                          | A3          | \$ 1,969,880 |
|                              | Arizona – 1.7% (1.3% of Total Investments)  |                                       |             |              |
| 4,070                        | Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Subordinate Lien Series 2005C, 5.290%, 7/01/18 – FGIC Insured   | No Opt. Call                          | AA–         | 4,125,556    |
| 5,000                        | Mesa, Arizona, Utility System Revenue Bonds, Series 2010, 6.100%, 7/01/34   | 7/20 at 100.00                        | Aa2         | 5,639,800    |
| 9,070                        | Total Arizona   |                                       |             | 9,765,356    |
|                              | California – 26.6% (21.8% of Total Investments)   |                                       |             |              |
| 2,520                        | Alameda Corridor Transportation Authority, California, User Fee Revenue Bonds, Subordinate Lien Series 2004B, 0.000%, 10/01/31 – AMBAC Insured  | No Opt. Call                          | BBB+        | 899,741      |
| 150                          | Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Build America Federally Taxable Bond Series 2009F-2, 6.263%, 4/01/49                                    | No Opt. Call                          | AA          | 201,701      |
| 75                           | Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Subordinate Lien, Build America Federally Taxable Bond Series 2010S-1, 6.793%, 4/01/30                  | No Opt. Call                          | A+          | 93,934       |
| 500                          | California Infrastructure and Economic Development Bank, Revenue Bonds, University of California San Francisco Neurosciences Building, Build America Taxable Bond Series 2010B, 6.486%, 5/15/49 | No Opt. Call                          | AA–         | 587,335      |
| 465                          | California Municipal Finance Authority Charter School Revenue Bonds, Albert Einstein Academies Project, Taxable Series 2013B, 7.000%, 8/01/18   | No Opt. Call                          | BB          | 464,679      |
| 3,005                        | California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Build America Taxable Bond Series 2009G-2, 8.361%, 10/01/34   | No Opt. Call                          | A1          | 4,229,237    |
| 2,050                        | California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Build America Taxable Bond Series 2010A-2, 8.000%, 3/01/35  | 3/20 at 100.00                        | A1          | 2,370,764    |
| 7,000                        |   | No Opt. Call                          | Aa2         | 8,789,690    |



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|        |  |                |     |            |
|--------|--|----------------|-----|------------|
|        | California State University, Systemwide Revenue Bonds, Build America Taxable Bond Series 2010B, 6.484%, 11/01/41   |                |     |            |
| 7,115  | California State, General Obligation Bonds, Various Purpose Build America Taxable Bond Series 2010, 7.950%, 3/01/36  | 3/20 at 100.00 | Aa3 | 8,690,403  |
| 16,610 | California State, General Obligation Bonds, Various Purpose, Build America Taxable Bond Series 2010, 7.600%, 11/01/40  | No Opt. Call   | Aa3 | 24,653,723 |
| 15,000 | Los Angeles Community College District, California, General Obligation Bonds, Build America Taxable Bonds, Series 2010, 6.600%, 8/01/42                                    | No Opt. Call   | Aa1 | 20,385,899 |
| 10,000 | Los Angeles Community College District, Los Angeles County, California, General Obligation Bonds, Series 2010, 6.600%, 8/01/42 (UB) (4)                                    | No Opt. Call   | Aa1 | 13,590,600 |
|        | Los Angeles County Public Works Financing Authority, California, Lease Revenue Bonds, Multiple Capital Projects I, Build America Taxable Bond Series 2010B:                |                |     |            |
| 5,500  | 7.488%, 8/01/33  | No Opt. Call   | AA  | 7,113,645  |
| 17,735 | 7.618%, 8/01/40  | No Opt. Call   | AA  | 24,528,213 |
| 9,390  | Los Angeles Department of Airports, California, Revenue Bonds, Los Angeles International Airport, Build America Taxable Bonds, Series 2009C, 6.582%, 5/15/39               | No Opt. Call   | AA- | 11,660,596 |
| 50     | Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Federally Taxable – Direct Payment – Build America Bonds, Series 2010A, 5.716%, 7/01/39 | No Opt. Call   | AA- | 61,336     |
| 1,685  | Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Federally Taxable – Direct Payment – Build America Bonds, Series 2010D, 6.574%, 7/01/45 | No Opt. Call   | AA- | 2,324,104  |
| 2,000  | Los Angeles Department of Water and Power, California, Water System Revenue Bonds, Tender Option Bond Trust T0003, 29.822%, 7/01/42 (IF) (4)                               | No Opt. Call   | AA  | 6,004,800  |

Nuveen Investments 17

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NBB Nuveen Build America Bond Fund  
Portfolio of Investments (continued) September 30, 2014 (Unaudited)

| Principal Amount (000)                         | Description (1)  | Optional Call Provisions (2) | Ratings (3) | Value        |
|--|--|------------------------------|-------------|--------------|
| California (continued)                         |  |                              |             |              |
| \$ 3,000                                       | Oakland Redevelopment Agency, California, Subordinated Housing Set Aside Revenue Bonds, Federally Taxable Series 2011A-T, 7.500%, 9/01/19  | No Opt. Call                 | A           | \$ 3,376,170 |
| 1,365  | San Francisco City and County Public Utilities Commission, California, Water Revenue Bonds, Build America Taxable Bonds, Series 2010B, 6.000%, 11/01/40  | No Opt. Call                 | AA-         | 1,693,706    |
| 3,000  | San Francisco City and County Public Utilities Commission, California, Water Revenue Bonds, Build America Taxable Bonds, Series 2010G, 6.950%, 11/01/50  | No Opt. Call                 | AA-         | 4,255,170    |
| 4,000  | San Francisco City and County, California, Certificates of Participation, 525 Golden Gate Avenue, San Francisco Public Utilities Commission Office Project, Tender Option Bond Trust B001, 29.437%, 11/01/30 (IF)                  | No Opt. Call                 | AA          | 8,169,600    |
| 275  | Stanton Redevelopment Agency, California, Consolidated Project Tax Allocation Bonds, Series 2011A: 6.500%, 12/01/17  | No Opt. Call                 | A-          | 297,410      |
| 295  | 6.750%, 12/01/18   | No Opt. Call                 | A-          | 324,240      |
| 2,505  | University of California, General Revenue Bonds, Limited Project, Build America Taxable Bond Series 2010F, 5.946%, 5/15/45   | No Opt. Call                 | AA-         | 3,104,021    |
| 115,290  | Total California   |                              |             | 157,870,717  |
| Colorado – 0.6% (0.5% of Total Investments)    |  |                              |             |              |
| 3,100  | Denver School District 1, Colorado, General Obligation Bonds, Build America Taxable Bonds, Series 2009C, 5.664%, 12/01/33  | No Opt. Call                 | AA+         | 3,645,538    |
| Connecticut – 0.9% (0.8% of Total Investments) |  |                              |             |              |
| 4,500  | Harbor Point Infrastructure Improvement District, Connecticut, Special Obligation Revenue Bonds, Harbor Point Project, Federally Taxable – Issuer Subsidy – Recovery Zone Economic Development Bond Series 2010B, 12.500%, 4/01/39 | 4/20 at 100.00               | N/R         | 5,487,435    |
| Florida – 1.4% (1.2% of Total Investments)     |  |                              |             |              |
| 2,850  | Academic Charter Schools Finance LLC, Florida, Mortgage Loan Revenue Bonds, Series 2004A, 144A, 8.000%, 8/15/24  | 2/15 at 103.00               | N/R         | 2,855,159    |
| 5,000  | Florida State Board of Education, Public Education Capital Outlay Bonds, Build America Taxable Bonds,  | 6/19 at 100.00               | AAA         | 5,472,600    |

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|        |  |                 |      |            |
|--------|--|-----------------|------|------------|
|        | Series 2010G, 5.750%, 6/01/35  |                 |      |            |
| 7,850  | Total Florida  |                 |      | 8,327,759  |
|        | Georgia – 4.8% (3.9% of Total Investments)   |                 |      |            |
| 9,000  | Georgia Municipal Electric Authority, Plant Vogtle Units 3 & 4 Project J Bonds, Taxable Build America Bonds Series 2010A, 6.637%, 4/01/57            | No Opt. Call    | A+   | 11,312,190 |
| 15,000 | Georgia Municipal Electric Authority, Plant Vogtle Units 3 & 4 Project P Bonds, Refunding Taxable Build America Bonds Series 2010A, 7.055%, 4/01/57  | No Opt. Call    | A–   | 16,981,650 |
| 24,000 | Total Georgia  |                 |      | 28,293,840 |
|        | Illinois – 15.5% (12.8% of Total Investments)  |                 |      |            |
| 4,200  | Chicago Transit Authority, Illinois, Sales Tax Receipts Revenue Bonds, Federally Taxable Build America Bonds, Series 2010B, 6.200%, 12/01/40         | No Opt. Call    | AA   | 4,800,726  |
| 10,925 | Chicago, Illinois, General Airport Revenue Bonds, O’Hare International Airport, Third Lien, Build America Taxable Bond Series 2010B, 6.845%, 1/01/38 | 1/20 at 100.00  | A2   | 12,246,816 |
| 12,405 | Chicago, Illinois, Wastewater Transmission Revenue Bonds, Build America Taxable Bond Series 2010B, 6.900%, 1/01/40                                   | No Opt. Call    | AA   | 14,746,196 |
| 14,695 | Chicago, Illinois, Water Revenue Bonds, Taxable Second Lien Series 2010B, 6.742%, 11/01/40   | No Opt. Call    | AA   | 18,477,787 |
| 15,480 | Cook County, Illinois, General Obligation Bonds, Build America Taxable Bonds, Series 2010D, 6.229%, 11/15/34   | No Opt. Call    | AA   | 17,322,739 |
| 260    | Illinois Finance Authority, Revenue Bonds, Illinois Institute of Technology, Refunding Series 2006A, 6.100%, 4/01/15                                 | 10/14 at 100.00 | Baa3 | 259,997    |
| 14,000 | Illinois State, General Obligation Bonds, Taxable Build America Bonds, Series 2010-3, 6.725%, 4/01/35  | No Opt. Call    | A–   | 15,393,980 |
| 4,900  | Illinois Toll Highway Authority, Toll Highway Revenue Bonds, Build America Taxable Bonds, Senior Lien Series 2009A, 6.184%, 1/01/34                  | No Opt. Call    | AA–  | 6,103,293  |

18 Nuveen Investments

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| Principal Amount (000)                           | Description (1)   | Optional Call Provisions (2) | Ratings (3) | Value      |
|--|---|------------------------------|-------------|------------|
| Illinois (continued)                             |   |                              |             |            |
| \$ 1,555   | Illinois Toll Highway Authority, Toll Highway Revenue Bonds, Build America Taxable Bonds, Senior Lien Series 2009B, 5.851%, 12/01/34                                      | No Opt. Call                 | AA-\$       | 1,917,548  |
| 685  | Northern Illinois Municipal Power Agency, Power Project Revenue Bonds, Prairie State Project, Build America Taxable Bond Series 2010A, 7.820%, 1/01/40                    | No Opt. Call                 | A2          | 908,639    |
| 79,105   | Total Illinois  |                              |             | 92,177,721 |
| Indiana – 0.9% (0.7% of Total Investments)       |   |                              |             |            |
| 5,000  | Indiana University, Consolidated Revenue Bonds, Build America Taxable Bonds, Series 2010B, 5.636%, 6/01/35  | 6/20 at 100.00               | Aaa         | 5,442,800  |
| Kentucky – 1.8% (1.5% of Total Investments)      |   |                              |             |            |
| 5,000  | Kentucky Municipal Power Agency, Power Supply System Revenue Bonds, Prairie State Project, Tender Option Bond Trust B002, 29.306%, 9/01/37 – AGC Insured (IF)             | 9/20 at 100.00               | AA          | 8,006,750  |
| 1,950  | Louisville and Jefferson County Metropolitan Sewer District, Kentucky, Sewer and Drainage System Revenue Bonds, Build America Taxable Bonds Series 2010A, 6.250%, 5/15/43 | No Opt. Call                 | AA          | 2,516,456  |
| 6,950  | Total Kentucky  |                              |             | 10,523,206 |
| Louisiana – 3.8% (3.1% of Total Investments)     |   |                              |             |            |
| 20,350   | East Baton Rouge Sewerage Commission, Louisiana, Revenue Bonds, Build America Taxable Bonds, Series 2010B, 6.087%, 2/01/45 (UB) (4)                                       | 2/20 at 100.00               | AA          | 22,707,548 |
| Massachusetts – 0.7% (0.6% of Total Investments) |   |                              |             |            |
| 2,000  | Massachusetts, Transportation Fund Revenue Bonds, Accelerated Bridge Program, Tender Option Bond Trust T0004, 25.650%, 6/01/40 (IF) (4)                                   | No Opt. Call                 | AAA         | 4,309,300  |
| Michigan – 5.4% (4.5% of Total Investments)      |   |                              |             |            |
| 11,905   | Detroit City School District, Wayne County, Michigan, General Obligation Bonds, Build America Taxable Bond Series 2009B, 7.747%, 5/01/39                                  | No Opt. Call                 | Aa2         | 14,818,273 |
| 3,145  | Michigan Tobacco Settlement Finance Authority, Tobacco Settlement Asset-Backed Revenue Bonds, Taxable Turbo Series 2006A, 7.309%, 6/01/34                                 | No Opt. Call                 | B2          | 2,736,842  |
| 13,955   | Wayne County Building Authority, Michigan, General Obligation Bonds, Jail Facilities, Federally Taxable Recovery Zone Economic Development Series 2010, 10.000%, 12/01/40 | 12/20 at 100.00              | BBB-        | 14,668,519 |
| 29,005   | Total Michigan  |                              |             | 32,223,634 |
| Missouri – 0.3% (0.2% of Total Investments)      |   |                              |             |            |
| 1,290  | Curators of the University of Missouri, System Facilities Revenue Bonds, Build America Taxable  | No Opt. Call                 | AA+         | 1,615,648  |

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|        |   |                    |     |            |
|--------|---|--------------------|-----|------------|
|        | Bonds, Series 2009A, 5.960%, 11/01/39   |                    |     |            |
|        | Nevada – 5.0% (4.1% of Total Investments)   |                    |     |            |
| 8,810  | Clark County, Nevada, Airport Revenue Bonds, Senior Lien Series 2009B, 6.881%, 7/01/42  | 7/19 at<br>100.00  | AA– | 9,946,842  |
| 1,800  | Clark County, Nevada, Airport Revenue Bonds, Taxable Direct Payment Build America Bond Series 2010C, 6.820%, 7/01/45                                    | No Opt. Call       | AA– | 2,465,316  |
| 8,800  | Las Vegas Valley Water District, Nevada, General Obligation Bonds, Build America Taxable Bonds, Series 2009C, 7.013%, 6/01/39                           | No Opt. Call       | AA+ | 9,679,208  |
| 1,315  | Las Vegas, Nevada, Certificates of Participation, City Hall Project, Build America Federally Taxable Bonds, Series 2009B, 7.800%, 9/01/39               | 9/19 at<br>100.00  | AA– | 1,577,066  |
| 5,250  | North Las Vegas, Nevada, General Obligation Water and Wastewater Improvement Bonds, Build America Taxable Bonds, Series 2010A, 6.572%, 6/01/40          | No Opt. Call       | BB– | 4,695,075  |
| 1,050  | Reno, Nevada, 1999 Special Assessment District 2 Local Improvement Bonds, ReTRAC Project, Taxable Series 2006, 6.890%, 6/01/16                          | No Opt. Call       | BBB | 1,089,711  |
| 27,025 | Total Nevada  |                    |     | 29,453,218 |
|        | New Jersey – 3.7% (3.0% of Total Investments)   |                    |     |            |
| 130    | New Jersey Transportation Trust Fund Authority, Transportation System Bonds, Build America Bonds Issuer Subsidy Program, Series 2010C, 6.104%, 12/15/28 | 12/20 at<br>100.00 | A2  | 145,465    |

Nuveen Investments

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NBB Nuveen Build America Bond Fund  
Portfolio of Investments (continued) September 30, 2014 (Unaudited)

| Principal Amount (000) | Description (1)  | Optional Call Provisions (2) | Ratings (3) | Value        |
|------------------------|--|------------------------------|-------------|--------------|
|                        | New Jersey (continued)   |                              |             |              |
| \$ 3,100               | New Jersey Turnpike Authority, Revenue Bonds, Build America Taxable Bonds, Series 2009F, 7.414%, 1/01/40   | No Opt. Call                 | A+          | \$ 4,452,344 |
| 12,535                 | New Jersey Turnpike Authority, Revenue Bonds, Build America Taxable Bonds, Series 2010A, 7.102%, 1/01/41   | No Opt. Call                 | A+          | 17,434,555   |
| 15,765                 | Total New Jersey   |                              |             | 22,032,364   |
|                        | New York – 12.4% (10.2% of Total Investments)  |                              |             |              |
| 25,000                 | Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, Build America Taxable Bonds, Series 2010D, 5.600%, 3/15/40 (UB)   | No Opt. Call                 | AAA         | 30,083,250   |
| 5,000                  | Long Island Power Authority, New York, Electric System Revenue Bonds, Build America Taxable Bond Series 2010B, 5.850%, 5/01/41   | No Opt. Call                 | A–          | 5,433,900    |
| 1,815                  | Metropolitan Transportation Authority, New York, Dedicated Tax Fund Bonds, Build America Taxable Bonds, Series 2010C, 7.336%, 11/15/39   | No Opt. Call                 | AA          | 2,686,472    |
| 4,980                  | Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Build America Taxable Bonds, Series 2009A-1, 5.871%, 11/15/39   | No Opt. Call                 | AA–         | 6,094,673    |
| 100                    | Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Build America Taxable Bonds, Series 2010B-1, 6.648%, 11/15/39   | No Opt. Call                 | AA–         | 132,956      |
| 2,595                  | New York City Municipal Water Finance Authority, New York, Water and Sewer System Revenue Bonds, Second Generation Resolution, Build America Taxable Bonds, Series 2010DD, 5.952%, 6/15/42       | No Opt. Call                 | AA+         | 3,319,472    |
| 2,025                  | New York City Municipal Water Finance Authority, New York, Water and Sewer System Revenue Bonds, Second Generation Resolution, Build America Taxable Bonds, Series 2010DD, 5.952%, 6/15/42 (UB)  | No Opt. Call                 | AA+         | 2,590,340    |
| 1,595                  | New York City Municipal Water Finance Authority, New York, Water and Sewer System Revenue Bonds, Second Generation Resolution, Taxable Tender Option Bonds Trust T30001-2, 26.888%, 6/15/44 (IF) | No Opt. Call                 | AA+         | 3,824,890    |
| 6,340                  | New York City Transitional Finance Authority, New York, Building Aid Revenue Bonds, Build America Taxable Bond Fiscal 2011 Series 2010S-1B, 6.828%, 7/15/40                                      | No Opt. Call                 | Aa2         | 8,176,636    |
| 10,000                 | New York City Transitional Finance Authority, New York, Future Tax Secured Bonds, Build America  | No Opt. Call                 | AAA         | 11,401,800   |

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|        |  |                 |     |            |
|--------|--|-----------------|-----|------------|
|        | Taxable Bonds, Series 2010G-1, 5.467%, 5/01/40   |                 |     |            |
| 59,450 | Total New York   |                 |     | 73,744,389 |
|        | Ohio – 6.8% (5.6% of Total Investments)  |                 |     |            |
|        | American Municipal Power Inc., Ohio, Combined Hydroelectric Projects Revenue Bonds, Federally Taxable Build America Bonds, Series 2010B:   |                 |     |            |
| 10,700 | 7.834%, 2/15/41  | No Opt. Call    | A   | 15,481,188 |
| 5,000  | 8.084%, 2/15/50  | No Opt. Call    | A   | 7,737,450  |
| 25     | JobsOhio Beverage System, Ohio, Statewide Liquor Profits Revenue Bonds, Senior Lien Taxable Series 2013B, 4.532%, 1/01/35  | No Opt. Call    | AA  | 25,828     |
| 15,000 | Northeast Ohio Regional Sewer District, Wastewater Improvement Revenue Bonds, Build America Taxable Bonds, Series 2010, 6.038%, 11/15/40   | 11/20 at 100.00 | AA+ | 16,918,650 |
| 30,725 | Total Ohio   |                 |     | 40,163,116 |
|        | Oregon – 2.7% (2.2% of Total Investments)  |                 |     |            |
| 4,000  | Oregon Department of Administrative Services, Certificates of Participation, Federally Taxable Build America Bonds, Tender Option Bond Trust TN-011, 26.764%, 5/01/35 (IF) (4)             | 5/20 at 100.00  | AA  | 6,358,800  |
| 9,080  | Warm Springs Reservation Confederated Tribes, Oregon, Tribal Economic Development Bonds, Hydroelectric Revenue Bonds, Pelton Round Butte Project, Refunding Series 2009A, 8.250%, 11/01/19 | No Opt. Call    | A3  | 9,932,975  |
| 13,080 | Total Oregon   |                 |     | 16,291,775 |
|        | Pennsylvania – 1.1% (0.9% of Total Investments)  |                 |     |            |
| 1,915  | Commonwealth Financing Authority, Pennsylvania, State Appropriation Lease Bonds, Build America Taxable Bonds, Series 2009D, 6.218%, 6/01/39  | No Opt. Call    | A+  | 2,303,496  |

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| Principal<br>Amount<br>(000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value         |
|------------------------------|--|---------------------------------------|-------------|---------------|
|                              | Pennsylvania (continued)   |                                       |             |               |
| \$ 2,000                     | Pennsylvania State, General Obligation Bonds, Build America Taxable Bonds, Third Series 2010B, 5.850%, 7/15/30   | 7/20 at 100.00                        | Aa3         | \$ 2,249,360  |
| 1,420                        | Pennsylvania Turnpike Commission, Turnpike Revenue Bonds, Build America Taxable Bonds, Series 2009A, 6.105%, 12/01/39  | No Opt. Call                          | A+          | 1,755,759     |
| 5,335                        | Total Pennsylvania   |                                       |             | 6,308,615     |
|                              | South Carolina – 5.4% (4.4% of Total Investments)  |                                       |             |               |
| 15,000                       | South Carolina Public Service Authority, Electric System Revenue Bonds, Santee Cooper, Federally Taxable Build America Series 2010C, 6.454%, 1/01/50   | No Opt. Call                          | AA–         | 19,548,600    |
| 205                          | South Carolina Public Service Authority, Electric System Revenue Bonds, Santee Cooper, Federally Taxable Build America, Tender Option Bond Trust T30002, 28.371%, 1/01/50 (IF)                     | No Opt. Call                          | AA–         | 515,821       |
| 8,985                        | South Carolina Public Service Authority, Electric System Revenue Bonds, Santee Cooper, Federally Taxable Build America, Series 2010C, 6.454%, 1/01/50 (UB)   | No Opt. Call                          | AA–         | 11,709,611    |
| 24,190                       | Total South Carolina   |                                       |             | 31,774,032    |
|                              | South Dakota – 0.3% (0.3% of Total Investments)  |                                       |             |               |
| 2,000                        | South Dakota Educational Enhancement Funding Corporation, Tobacco Settlement Revenue Bonds, Series 2013A, 3.539%, 6/01/22  | No Opt. Call                          | A           | 1,984,240     |
|                              | Tennessee – 1.5% (1.2% of Total Investments)   |                                       |             |               |
| 5,000                        | Metropolitan Government Nashville & Davidson County Convention Center Authority, Tennessee, Tourism Tax Revenue Bonds, Build America Taxable Bonds, Series 2010A-2, 7.431%, 7/01/43                | No Opt. Call                          | A1          | 6,543,100     |
| 1,780                        | Metropolitan Government Nashville & Davidson County Convention Center Authority, Tennessee, Tourism Tax Revenue Bonds, Build America Taxable Bonds, Subordinate Lien Series 2010B, 6.731%, 7/01/43 | No Opt. Call                          | Aa3         | 2,290,433     |
| 6,780                        | Total Tennessee  |                                       |             | 8,833,533     |
|                              | Texas – 10.1% (8.3% of Total Investments)  |                                       |             |               |
| 10,230                       | Dallas Convention Center Hotel Development Corporation, Texas, Hotel Revenue Bonds, Build America Taxable Bonds, Series 09B, 7.088%, 1/01/42   | No Opt. Call                          | A+          | 12,883,867    |
| 10,000                       | North Texas Tollway Authority, System Revenue Bonds, Subordinate Lien Taxable Revenue Bonds, Federally Taxable Build America Bonds, Series 2010-B2, 8.910%, 2/01/30                                | 2/20 at 100.00                        | Baa3        | 11,921,300    |
| 15,000                       | No Opt. Call   |                                       |             | A2 20,758,649 |



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|        |   |                 |      |            |  |
|--------|---|-----------------|------|------------|--|
|        | North Texas Tollway Authority, System Revenue Bonds, Taxable Build America Bond Series 2009B, 6.718%, 1/01/49   |                 |      |            |  |
| 5,000  | San Antonio, Texas, General Obligation Bonds, Build America Taxable Bonds, Series 2010B, 6.038%, 8/01/40  | 8/20 at 100.00  | AAA  | 5,702,550  |  |
| 7,015  | Texas State, General Obligation Bonds, Transportation No Opt. Call Commission, Build America Taxable Bonds, Series 2009A, 5.517%, 4/01/39   |                 | AAA  | 8,713,402  |  |
| 47,245 | Total Texas   |                 |      | 59,979,768 |  |
|        | Utah – 0.9% (0.8% of Total Investments)   |                 |      |            |  |
| 4,000  | Central Utah Water Conservancy District, Utah, Revenue Bonds, Federally Taxable Build America Bonds, Series 2010A, 5.700%, 10/01/40   | 4/20 at 100.00  | AA+  | 4,327,360  |  |
| 1,000  | Tooele County Municipal Building Authority, Utah, Lease Revenue Bonds, Build America Bond Series 2010A-2, 8.000%, 12/15/32  | 12/20 at 100.00 | A+   | 1,126,500  |  |
| 5,000  | Total Utah  |                 |      | 5,453,860  |  |
|        | Virginia – 4.2% (3.5% of Total Investments)   |                 |      |            |  |
| 17,300 | Metropolitan Washington Airports Authority, Virginia, No Opt. Call Dulles Toll Road Second Senior Lien Revenue Bonds, Build America Bonds, Series 2009D, 7.462%, 10/01/46 – AGC Insured |                 | BBB+ | 23,453,090 |  |
| 2,170  | Tobacco Settlement Financing Corporation of Virginia, Tobacco Settlement Asset Backed Bonds, Refunding Senior Lien Series 2007A, 6.706%, 6/01/46  | 12/14 at 100.00 | B–   | 1,609,945  |  |
| 19,470 | Total Virginia  |                 |      | 25,063,035 |  |

Nuveen Investments 21

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NBB Nuveen Build America Bond Fund  
Portfolio of Investments (continued) September 30, 2014 (Unaudited)

| Principal Amount (000) | Description (1)  | Optional Call Provisions (2) | Ratings (3) | Value        |
|------------------------|--|------------------------------|-------------|--------------|
|                        | Washington – 2.5% (2.0% of Total Investments)  |                              |             |              |
| \$ 4,000               | Seattle, Washington, Municipal Light and Power Revenue Bonds, Federally Taxable Build America Bonds, Tender Option Bond Trust T0001, 24.504%, 2/01/40 (IF) (4) | No Opt. Call                 | AA          | \$ 8,786,200 |
| 5,000                  | Washington State Convention Center Public Facilities District, Lodging Tax Revenue Bonds, Build America Taxable Bond Series 2010B, 6.790%, 7/01/40             | No Opt. Call                 | Aa3         | 6,055,300    |
| 9,000                  | Total Washington   |                              |             | 14,841,500   |
| \$ 574,575             | Total Long-Term Investments (cost \$626,064,939)   |                              |             | 720,283,827  |

| Principal Amount (000) | Description (1)  | Coupon | Maturity | Value          |
|------------------------|--|--------|----------|----------------|
|                        | SHORT-TERM INVESTMENTS – 0.4% (0.3% of Total Investments)  |        |          |                |
| \$ 2,318               | Repurchase Agreement with Fixed Income Clearing Corporation, dated 9/30/14, repurchase price \$2,318,424, collateralized by: \$1,705,000 U.S. Treasury Notes, 1.750%, due 9/30/19, value \$1,700,738 and \$655,000 U.S. Treasury Notes, 2.250%, due 4/30/21, value \$664,825 | 0.000% | 10/01/14 | \$ 2,318,424   |
|                        | Total Short-Term Investments (cost \$2,318,424)  |        |          | 2,318,424      |
|                        | Total Investments (cost \$628,383,363) – 121.7%  |        |          | 722,602,251    |
|                        | Borrowings – (15.0)% (5), (6)  |        |          | (89,000,000)   |
|                        | Floating Rate Obligations – (8.9)%   |        |          | (53,090,000)   |
|                        | Other Assets Less Liabilities – 2.2% (7)   |        |          | 13,346,595     |
|                        | Net Assets – 100%  |        |          | \$ 593,858,846 |

22 Nuveen Investments

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Investments in Derivatives as of September 30, 2014

Interest Rate Swaps outstanding:

| Counterparty       | Notional Amount | Fund Pay/Receive |                     | Fixed Rate (Annualized) | Fixed Rate Payment Frequency | Effective Date (8) | Termination Date | Value         |
|--------------------|-----------------|------------------|---------------------|-------------------------|------------------------------|--------------------|------------------|---------------|
|                    |                 | Floating Rate    | Floating Rate Index |                         |                              |                    |                  |               |
| Barclays Bank PLC  | \$60,500,000    | Receive          | 1-Month USD-LIBOR   | 1.450 %                 | Monthly                      | 10/01/14           | 10/01/18         | \$254,142     |
| Barclays Bank PLC* | 46,500,000      | Receive          | 3-Month USD-LIBOR   | 3.502                   | Semi-Annually                | 6/15/15            | 6/15/44          | (1,766,252)   |
| Morgan Stanley     | 19,200,000      | Receive          | 1-Month USD-LIBOR   | 2.064                   | Monthly                      | 3/21/11            | 3/21/16          | (460,572)     |
| Morgan Stanley     | 60,500,000      | Receive          | 1-Month USD-LIBOR   | 1.764                   | Monthly                      | 10/01/14           | 12/01/19         | 278,636       |
|                    | \$186,700,000   |                  |                     |                         |                              |                    |                  | \$(1,694,046) |

\* Citigroup is the clearing broker for this transaction.

- (1) All percentages shown in the Portfolio of Investments are based on net assets unless otherwise noted.
- (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
- (3) Ratings: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investors Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. 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.
- (4) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
- (5) Borrowings as a percentage of Total Investments is 12.3%.
- (6) The Fund segregates 100% of its eligible investments in the Portfolio of Investments as collateral for Borrowings.
- (7) Other Assets Less Liabilities includes the Unrealized Appreciation (Depreciation) of derivative instruments as listed within Investments in Derivatives as of the end of the reporting period.
- (8) Effective date represents the date on which both the Fund and Counterparty commence interest payment accruals on each contract.
- (IF) Inverse floating rate investment.
- (UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Note 3 – Portfolio Securities and Investments in Derivatives, Inverse Floating Rate Securities 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.

USD-LIBOR United States Dollar-London Inter-Bank Offered Rate.

See accompanying notes to financial statements.



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NBD

Nuveen Build America Bond Opportunity Fund  
Portfolio of Investments

September 30, 2014 (Unaudited)

| Principal<br>Amount<br>(000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|------------------------------|--|---------------------------------------|-------------|------------|
|                              | LONG-TERM INVESTMENTS – 109.0% (100.0% of Total Investments)   |                                       |             |            |
|                              | MUNICIPAL BONDS – 109.0% (100.0% of Total Investments)   |                                       |             |            |
|                              | Alabama – 0.6% (0.5% of Total Investments)   |                                       |             |            |
| \$ 1,000                     | Baptist Health Care Authority, Alabama, An Affiliate of UAB Health System, Taxable Bond Series 2013A, 5.500%, 11/15/43   | No Opt. Call                          | A3          | \$ 984,940 |
|                              | California – 20.9% (19.1% of Total Investments)  |                                       |             |            |
| 1,500                        | California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Build America Taxable Bond Series 2009G-2, 8.361%, 10/01/34  | No Opt. Call                          | A1          | 2,111,100  |
| 2,000                        | Los Angeles Community College District, Los Angeles County, California, General Obligation Bonds, Tender Option Bond Trust TN027, 29.977%, 8/01/49 (IF) (4)                            | No Opt. Call                          | Aa1         | 6,200,600  |
| 3,185                        | Los Angeles County Public Works Financing Authority, California, Lease Revenue Bonds, Multiple Capital Projects I, Build America Taxable Bond Series 2010B, 7.618%, 8/01/40            | No Opt. Call                          | AA          | 4,404,982  |
| 2,650                        | Los Angeles Department of Airports, California, Revenue Bonds, Los Angeles International Airport, Build America Taxable Bonds, Series 2009C, 6.582%, 5/15/39                           | No Opt. Call                          | AA–         | 3,290,797  |
| 2,000                        | Los Angeles Department of Water and Power, California, Water System Revenue Bonds, Tender Option Bond Trust T0003, 29.822%, 7/01/42 (IF) (4)   | No Opt. Call                          | AA          | 6,004,800  |
| 1,000                        | Oakland Redevelopment Agency, California, Subordinated Housing Set Aside Revenue Bonds, Federally Taxable Series 2011A-T, 7.500%, 9/01/19  | No Opt. Call                          | A           | 1,125,390  |
| 2,200                        | San Diego County Regional Transportation Commission, California, Sales Tax Revenue Bonds, Build America Taxable Bonds Series 2010A, 5.911%, 4/01/48                                    | No Opt. Call                          | AAA         | 2,829,926  |
| 675                          | San Francisco City and County Redevelopment Financing Authority, California, Taxable Tax Allocation Revenue Bonds, San Francisco Redevelopment Projects, Series 2009F, 8.406%, 8/01/39 | No Opt. Call                          | A           | 869,225    |
| 2,000                        | San Francisco City and County, California, Certificates of Participation, 525 Golden Gate Avenue, San  | No Opt. Call                          | AA          | 4,084,800  |

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Francisco Public Utilities Commission Office Project,  
Tender Option Bond Trust B001, 29.437%, 11/01/41  
(IF)

|        |  |                   |     |            |
|--------|--|-------------------|-----|------------|
| 315    | Stanton Redevelopment Agency, California,<br>Consolidated Project Tax Allocation Bonds, Series<br>2011A, 7.000%, 12/01/19  | No Opt. Call      | A-  | 349,581    |
| 3,000  | The Regents of the University of California, Medical<br>Center Pooled Revenue Bonds, Build America Taxable<br>Bonds, Series 2010H, 6.548%, 5/15/48   | No Opt. Call      | AA- | 3,871,020  |
| 20,525 | Total California<br>Colorado – 4.5% (4.1% of Total Investments)  |                   |     | 35,142,221 |
| 4,000  | Colorado State Bridge Enterprise Revenue Bonds,<br>Federally Taxable Build America Series 2010A,<br>6.078%, 12/01/40   | No Opt. Call      | AA  | 5,046,320  |
| 2,000  | Regional Transportation District, Colorado, Sales Tax<br>Revenue Bonds, Fastracks Project, Build America<br>Series 2010B, 5.844%, 11/01/50   | No Opt. Call      | AA+ | 2,558,260  |
| 6,000  | Total Colorado<br>Connecticut – 0.7% (0.7% of Total Investments)   |                   |     | 7,604,580  |
| 1,000  | Harbor Point Infrastructure Improvement District,<br>Connecticut, Special Obligation Revenue Bonds,<br>Harbor Point Project, Federally Taxable – Issuer<br>Subsidy – Recovery Zone Economic Development<br>Bond Series 2010B, 12.500%, 4/01/39 | 4/20 at<br>100.00 | N/R | 1,219,430  |
|        | Georgia – 3.5% (3.2% of Total Investments)   |                   |     |            |
| 2,000  | Georgia Municipal Electric Authority, Plant Vogtle<br>Units 3 & 4 Project J Bonds, Taxable Build America<br>Bonds Series 2010A, 6.637%, 4/01/57  | No Opt. Call      | A+  | 2,513,820  |
| 3,000  | Georgia Municipal Electric Authority, Plant Vogtle<br>Units 3 & 4 Project P Bonds, Refunding<br>Taxable Build America Bonds Series 2010A, 7.055%,<br>4/01/57   | No Opt. Call      | A-  | 3,396,330  |
| 5,000  | Total Georgia  |                   |     | 5,910,150  |

24 Nuveen Investments

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| Principal<br>Amount<br>(000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|------------------------------|---|---------------------------------------|-------------|--------------|
|                              | Illinois – 14.8% (13.6% of Total Investments)   |                                       |             |              |
| \$ 3,715                     | Chicago Transit Authority, Illinois, Sales Tax Receipts Revenue Bonds, Federally Taxable Build America Bonds, Series 2010B, 6.200%, 12/01/40                              | No Opt. Call                          | AA          | \$ 4,246,356 |
| 1,255                        | Chicago, Illinois, General Airport Revenue Bonds, O’Hare International Airport, Third Lien, Build America Taxable Bond Series 2010B, 6.845%, 1/01/38                      | 1/20 at 100.00                        | A2          | 1,406,842    |
| 5,160                        | Chicago, Illinois, Wastewater Transmission Revenue Bonds, Build America Taxable Bond Series 2010B, 6.900%, 1/01/40  | No Opt. Call                          | AA          | 6,133,847    |
| 4,000                        | Chicago, Illinois, Water Revenue Bonds, Taxable Second Lien Series 2010B, 6.742%, 11/01/40  | No Opt. Call                          | AA          | 5,029,680    |
| 255                          | Illinois Finance Authority, Revenue Bonds, Illinois Institute of Technology, Refunding Series 2006A, 6.100%, 4/01/15  | 10/14 at 100.00                       | Baa3        | 254,997      |
| 2,000                        | Illinois State, General Obligation Bonds, Build America Taxable Bonds, Series 2010-5, 7.350%, 7/01/35   | No Opt. Call                          | A–          | 2,304,160    |
| 4,010                        | Illinois Toll Highway Authority, Toll Highway Revenue Bonds, Build America Taxable Bonds, Senior Lien Series 2009A, 6.184%, 1/01/34                                       | No Opt. Call                          | AA–         | 4,994,736    |
| 240                          | Northern Illinois Municipal Power Agency, Power Project Revenue Bonds, Prairie State Project, Build America Bond Series 2009C, 6.859%, 1/01/39                            | No Opt. Call                          | A2          | 286,788      |
| 205                          | Northern Illinois Municipal Power Agency, Power Project Revenue Bonds, Prairie State Project, Build America Taxable Bond Series 2010A, 7.820%, 1/01/40                    | No Opt. Call                          | A2          | 271,928      |
| 20,840                       | Total Illinois  |                                       |             | 24,929,334   |
|                              | Indiana – 2.2% (2.1% of Total Investments)  |                                       |             |              |
| 2,980                        | Indianapolis Local Public Improvement Bond Bank, Indiana, Build America Taxable Bonds, Series 2010B-2, 6.116%, 1/15/40  | No Opt. Call                          | AA+         | 3,764,038    |
|                              | Kentucky – 2.3% (2.1% of Total Investments)   |                                       |             |              |
| 3,000                        | Louisville and Jefferson County Metropolitan Sewer District, Kentucky, Sewer and Drainage System Revenue Bonds, Build America Taxable Bonds Series 2010A, 6.250%, 5/15/43 | No Opt. Call                          | AA          | 3,871,470    |
|                              | Massachusetts – 2.6% (2.3% of Total Investments)  |                                       |             |              |
| 2,000                        | Massachusetts, Transportation Fund Revenue Bonds, Accelerated Bridge Program, Tender Option Bond Trust T0004, 25.650%, 6/01/40 (IF) (4)                                   | No Opt. Call                          | AAA         | 4,309,300    |
|                              | Michigan – 4.1% (3.8% of Total Investments)   |                                       |             |              |
| 3,000                        | Detroit City School District, Wayne County, Michigan, General Obligation Bonds, Build America Taxable Bond Series 2010B, 6.845%, 5/01/40                                  | 5/20 at 100.00                        | Aa2         | 3,135,960    |

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|       |   |                 |      |           |
|-------|---|-----------------|------|-----------|
| 1,960 | Michigan Tobacco Settlement Finance Authority, Tobacco Settlement Asset-Backed Revenue Bonds, Taxable Turbo Series 2006A, 7.309%, 6/01/34                                 | No Opt. Call    | B2   | 1,705,631 |
| 2,000 | Wayne County Building Authority, Michigan, General Obligation Bonds, Jail Facilities, Federally Taxable Recovery Zone Economic Development Series 2010, 10.000%, 12/01/40 | 12/20 at 100.00 | BBB- | 2,102,260 |
| 6,960 | Total Michigan  |                 |      | 6,943,851 |
|       | Mississippi – 1.4% (1.3% of Total Investments)  |                 |      |           |
| 2,085 | Mississippi State, General Obligation Bonds, Build America Taxable Bond Series 2010F, 5.245%, 11/01/34  | No Opt. Call    | AA+  | 2,373,335 |
|       | Nevada – 3.3% (3.0% of Total Investments)   |                 |      |           |
| 1,950 | Clark County, Nevada, Airport Revenue Bonds, Senior Lien Series 2009B, 6.881%, 7/01/42  | 7/19 at 100.00  | AA-  | 2,201,628 |
| 1,500 | Clark County, Nevada, Airport Revenue Bonds, Taxable Direct Payment Build America Bond Series 2010C, 6.820%, 7/01/45  | No Opt. Call    | AA-  | 2,054,430 |
| 1,210 | Las Vegas Valley Water District, Nevada, General Obligation Bonds, Build America Taxable Bonds, Series 2009C, 7.013%, 6/01/39   | No Opt. Call    | AA+  | 1,330,891 |
| 4,660 | Total Nevada  |                 |      | 5,586,949 |
|       | New Jersey – 6.8% (6.2% of Total Investments)   |                 |      |           |
| 3,055 | New Jersey Transportation Trust Fund Authority, Transportation System Bonds, Build America Bonds Issuer Subsidy Program, Series 2010C, 5.754%, 12/15/28                   | No Opt. Call    | A2   | 3,483,769 |

Nuveen Investments 25



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NBD Nuveen Build America Bond Opportunity Fund  
 Portfolio of Investments (continued) September 30, 2014 (Unaudited)

| Principal<br>Amount<br>(000)                      | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---|--|---------------------------------------|-------------|--------------|
| New Jersey (continued)                            |  |                                       |             |              |
| \$ 4,000  | New Jersey Turnpike Authority, Revenue Bonds, Build America Taxable Bonds, Series 2010A, 7.102%, 1/01/41   | No Opt. Call                          | A+          | \$ 5,563,480 |
| 2,000   | Rutgers State University, New Jersey, Revenue Bonds, Build America Taxable Bond Series 2010H, 5.665%, 5/01/40  | No Opt. Call                          | AA-         | 2,418,520    |
| 9,055   | Total New Jersey   |                                       |             | 11,465,769   |
| New York – 12.6% (11.6% of Total Investments)     |  |                                       |             |              |
| 2,000   | Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, Tender Option Bond Trust B004, 25.309%, 3/15/40 (IF)  | No Opt. Call                          | AAA         | 4,033,300    |
| 3,270   | Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Federally Taxable Issuer Subsidy Build America Bonds, Series 2010A, 6.668%, 11/15/39                                    | 11/14 at 100.00                       | AA-         | 4,390,171    |
| 1,500   | New York City Municipal Water Finance Authority, New York, Water and Sewer System Revenue Bonds, Second Generation Resolution, Build America Taxable Bonds, Fiscal 2011 Series AA, 5.440%, 6/15/43 (4) | No Opt. Call                          | AA+         | 1,795,725    |
| 2,000   | New York City Municipal Water Finance Authority, New York, Water and Sewer System Revenue Bonds, Second Generation Resolution, Taxable Tender Option Bonds Trust T30001-2, 26.888%, 6/15/44 (IF)       | No Opt. Call                          | AA+         | 4,796,100    |
| 3,500   | New York City Transitional Finance Authority, New York, Building Aid Revenue Bonds, Build America Taxable Bond Fiscal 2011 Series 2010S-1B, 6.828%, 7/15/40  | No Opt. Call                          | Aa2         | 4,513,915    |
| 1,500   | New York City, New York, General Obligation Bonds, Federally Taxable Build America Bonds, Series 2010-F1, 6.646%, 12/01/31   | 12/20 at 100.00                       | AA          | 1,786,860    |
| 13,770  | Total New York   |                                       |             | 21,316,071   |
| North Carolina – 1.3% (1.2% of Total Investments) |  |                                       |             |              |
| 1,870   | North Carolina Turnpike Authority, Triangle Expressway System State Annual Appropriation Revenue Bonds, Federally Taxable Issuer Subsidy Build America Bonds, Series 2009B, 6.700%, 1/01/39            | 1/19 at 100.00                        | AA          | 2,104,816    |
| Ohio – 4.3% (3.9% of Total Investments)           |  |                                       |             |              |
| 3,000   | American Municipal Power Inc., Ohio, Meldahl Hydroelectric Projects Revenue Bonds, Federally Taxable Build America Bonds, Series 2010B, 7.499%, 2/15/50  | No Opt. Call                          | A           | 4,249,410    |

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|        |  |                 |     |            |
|--------|--|-----------------|-----|------------|
| 2,650  | Northeast Ohio Regional Sewer District, Wastewater Improvement Revenue Bonds, Build America Taxable Bonds, Series 2010, 6.038%, 11/15/40   | 11/20 at 100.00 | AA+ | 2,988,962  |
| 5,650  | Total Ohio   |                 |     | 7,238,372  |
|        | Pennsylvania – 1.7% (1.6% of Total Investments)  |                 |     |            |
| 2,500  | Pennsylvania Turnpike Commission, Turnpike Revenue Bonds, Build America Taxable Bonds, Series 2010B, 5.511%, 12/01/45  | No Opt. Call    | A+  | 2,936,650  |
|        | South Carolina – 9.1% (8.4% of Total Investments)  |                 |     |            |
| 2,395  | South Carolina Public Service Authority, Electric System Revenue Bonds, Santee Cooper, Federally Taxable Build America Series 2010C, 6.454%, 1/01/50   | No Opt. Call    | AA– | 3,121,260  |
| 205    | South Carolina Public Service Authority, Electric System Revenue Bonds, Santee Cooper, Federally Taxable Build America, Tender Option Bond Trust T30002, 28.371%, 1/01/50 (IF)                     | No Opt. Call    | AA– | 515,821    |
| 8,985  | South Carolina Public Service Authority, Electric System Revenue Bonds, Santee Cooper, Federally Taxable Build America, Series 2010C, 6.454%, 1/01/50 (UB)   | No Opt. Call    | AA– | 11,709,611 |
| 11,585 | Total South Carolina   |                 |     | 15,346,692 |
|        | South Dakota – 0.6% (0.5% of Total Investments)  |                 |     |            |
| 1,000  | South Dakota Educational Enhancement Funding Corporation, Tobacco Settlement Revenue Bonds, Series 2013A, 3.539%, 6/01/22  | No Opt. Call    | A   | 992,120    |
|        | Tennessee – 3.1% (2.8% of Total Investments)   |                 |     |            |
| 4,060  | Metropolitan Government Nashville & Davidson County Convention Center Authority, Tennessee, Tourism Tax Revenue Bonds, Build America Taxable Bonds, Subordinate Lien Series 2010B, 6.731%, 7/01/43 | No Opt. Call    | Aa3 | 5,224,245  |

26 Nuveen Investments

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| Principal<br>Amount<br>(000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value          |
|------------------------------|--|---------------------------------------|-------------|----------------|
|                              | Texas – 4.1% (3.8% of Total Investments)   |                                       |             |                |
| \$ 2,000                     | Dallas Area Rapid Transit, Texas, Senior Lien Sales Tax Revenue Bonds, Build America Taxable Bonds, Series 2009B, 5.999%, 12/01/44   | No Opt. Call                          | AA+         | \$ 2,580,360   |
| 2,000                        | Dallas Convention Center Hotel Development Corporation, Texas, Hotel Revenue Bonds, Build America Taxable Bonds, Series 09B, 7.088%, 1/01/42                               | No Opt. Call                          | A+          | 2,518,840      |
| 1,500                        | North Texas Tollway Authority, System Revenue Bonds, Subordinate Lien Taxable Revenue Bonds, Federally Taxable Build America Bonds, Series 2010-B2, 8.910%, 2/01/30        | 2/20 at<br>100.00                     | Baa3        | 1,788,195      |
| 5,500                        | Total Texas  |                                       |             | 6,887,395      |
|                              | Virginia – 3.8% (3.5% of Total Investments)  |                                       |             |                |
| 3,110                        | Metropolitan Washington Airports Authority, Virginia, Dulles Toll Road Second Senior Lien Revenue Bonds, Build America Bonds, Series 2009D, 7.462%, 10/01/46 – AGC Insured | No Opt. Call                          | BBB+        | 4,216,134      |
| 2,915                        | Tobacco Settlement Financing Corporation of Virginia, Tobacco Settlement Asset Backed Bonds, Refunding Senior Lien Series 2007A, 6.706%, 6/01/46                           | 12/14 at<br>100.00                    | B–          | 2,162,668      |
| 6,025                        | Total Virginia   |                                       |             | 6,378,802      |
|                              | Washington – 0.7% (0.7% of Total Investments)  |                                       |             |                |
| 1,000                        | Washington State Convention Center Public Facilities District, Lodging Tax Revenue Bonds, Build America Taxable Bond Series 2010B, 6.790%, 7/01/40                         | No Opt. Call                          | Aa3         | 1,211,060      |
| \$ 138,065                   | Total Long-Term Investments (cost \$143,071,600)   |                                       |             | 183,741,590    |
|                              | Borrowings – (6.8)% (5), (6)   |                                       |             | (11,500,000)   |
|                              | Floating Rate Obligations – (4.3)%   |                                       |             | (7,190,000)    |
|                              | Other Assets Less Liabilities – 2.1% (7)   |                                       |             | 3,541,273      |
|                              | Net Assets – 100%  |                                       |             | \$ 168,592,863 |

Nuveen Investments 27

NBD Nuveen Build America Bond Opportunity Fund  
Portfolio of Investments (continued)

September 30, 2014 (Unaudited)

Investments in Derivatives as of September 30, 2014

Interest Rate Swaps outstanding:

| Counterparty       | Notional Amount | Fund Pay/Receive | Floating Rate | Floating Rate Index | Fixed Rate (Annualized) | Fixed Rate Payment Frequency | Effective Date (8) | Termination Date | Value         |
|--------------------|-----------------|------------------|---------------|---------------------|-------------------------|------------------------------|--------------------|------------------|---------------|
|                    |                 |                  |               |                     |                         |                              |                    |                  |               |
| Barclays Bank PLC  | \$ 11,200,000   | Receive          | USD-LIBOR     | 1-Month             | 2.240 %                 | Monthly                      | 12/17/10           | 12/17/15         | \$(265,332)   |
| Barclays Bank PLC  | 14,750,000      | Receive          | USD-LIBOR     | 1-Month             | 1.450                   | Monthly                      | 10/01/14           | 10/01/18         | 61,960        |
| Barclays Bank PLC  | 20,000,000      | Receive          | USD-LIBOR     | 3-Month             | 3.280                   | Semi-Annually                | 2/19/15            | 2/19/42          | (122,589)     |
| Barclays Bank PLC* | 21,000,000      | Receive          | USD-LIBOR     | 3-Month             | 3.502                   | Semi-Annually                | 6/15/15            | 6/15/44          | (797,662)     |
| Morgan Stanley     | 14,750,000      | Receive          | USD-LIBOR     | 1-Month             | 1.875                   | Monthly                      | 10/01/14           | 6/01/20          | 70,426        |
|                    | \$81,700,000    |                  |               |                     |                         |                              |                    |                  | \$(1,053,197) |

\* Citigroup is the clearing broker for this transaction.

- (1) All percentages shown in the Portfolio of Investments are based on net assets unless otherwise noted.
- (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
- (3) Ratings: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investors Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. 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.
- (4) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in derivatives and/or inverse floating rate transactions.
- (5) Borrowings as a percentage of Total Investments is 6.3%.
- (6) The Fund segregates 100% of its eligible investments in the Portfolio of Investments as collateral for Borrowings.
- (7) Other Assets Less Liabilities includes the Unrealized Appreciation (Depreciation) of derivative instruments as listed within Investments in Derivatives as of the end of the reporting period.
- (8) Effective date represents the date on which both the Fund and Counterparty commence interest payment accruals on each contract.
- (IF) Inverse floating rate investment.
- (UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Note 3 – Portfolio Securities and Investments in Derivatives, Inverse Floating Rate Securities for more information.

USD-LIBOR United States Dollar-London Inter-Bank Offered Rate.

See accompanying notes to financial statements.



Edgar Filing: Nuveen Build America Bond Fund - Form N-CSRS

Statement of

Assets and Liabilities

September 30, 2014 (Unaudited)

|  | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|--|-----------------------------------|--|
| <b>Assets</b>  |                                   |  |
| Long-term investments, at value (cost \$626,064,939 and \$143,071,600, respectively) | \$ 720,283,827                    | \$ 183,741,590                                   |
| Short-term investments, at value (cost approximates value)                           | 2,318,424                         | —  |
| Cash collateral at brokers(1)  | 3,836,393                         | 1,745,408  |
| Interest rate swaps premiums paid  | 1,214                             | 768  |
| Unrealized appreciation on interest rate swaps                                       | 254,141                           | 70,426   |
| Receivable for:  |                                   |  |
| Interest   | 12,965,831                        | 3,502,792  |
| Variation margin on swap contracts   | 278,870                           | 125,941  |
| Other assets   | 56,466                            | 8,750  |
| <b>Total assets</b>  | <b>739,995,166</b>                | <b>189,195,675</b>                               |
| <b>Liabilities</b>   |                                   |  |
| Borrowings   | 89,000,000                        | 11,500,000                                       |
| Cash overdraft   | 262,865                           | 611,229  |
| Floating rate obligations  | 53,090,000                        | 7,190,000  |
| Unrealized depreciation on interest rate swaps, net                                  | 181,936                           | 325,961  |
| Payable for:   |                                   |  |
| Dividends  | 2,924,346                         | 778,433  |
| Investments purchased  | 56,552                            | —  |
| Accrued expenses:  |                                   |  |
| Management fees  | 402,871                           | 119,094  |
| Interest on borrowings   | 62,968                            | 8,133  |
| Trustees fees  | 24,787                            | 1,106  |
| Other  | 129,995                           | 68,856   |
| <b>Total liabilities</b>   | <b>146,136,320</b>                | <b>20,602,812</b>                                |
| <b>Net assets</b>  | <b>\$ 593,858,846</b>             | <b>\$ 168,592,863</b>                            |
| Shares outstanding   | 26,461,985                        | 7,205,250  |
| Net asset value (“NAV”) per share outstanding  | \$ 22.44                          | \$ 23.40   |
| Net assets consist of:   |                                   |  |
| Shares, \$.01 par value per share  | \$ 264,620                        | \$ 72,053  |
| Paid-in surplus  | 504,137,904                       | 137,235,389                                      |
| Undistributed (Over-distribution of) net investment income                           | (973,454)                         | 70,410   |
| Accumulated net realized gain (loss)   | (2,093,852)                       | (8,401,015)                                      |
| Net unrealized appreciation (depreciation)   | 92,523,628                        | 39,616,026                                       |
| <b>Net assets</b>  | <b>\$ 593,858,846</b>             | <b>\$ 168,592,863</b>                            |
| Authorized shares  | Unlimited                         | Unlimited  |

(1) Cash pledged to collateralize the net payment obligations for investments in derivatives.

See accompanying notes to financial statements.



Edgar Filing: Nuveen Build America Bond Fund - Form N-CSRS

| Statement of<br>Operations                               | Six Months Ended September 30, 2014<br>(Unaudited) |  |
|--|--|--|
|  | Build<br>America<br>Bond<br>(NBB)                  | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
| Investment Income  | \$ 21,599,942                                      | \$ 5,877,301                                     |
| Expenses   |  |  |
| Management fees  | 2,434,611  | 721,379  |
| Shareholder servicing agent fees and expenses            | 94   | 94   |
| Interest expense   | 561,489  | 76,979   |
| Custodian fees and expenses                              | 54,840   | 22,655   |
| Trustees fees and expenses                               | 11,158   | 2,973  |
| Professional fees  | 29,619   | 31,069   |
| Shareholder reporting expenses                           | 47,768   | 13,405   |
| Stock exchange listing fees                              | 4,485  | 4,485  |
| Investor relations expenses                              | 42,871   | 11,625   |
| Other expenses   | 14,461   | 5,516  |
| Total expenses   | 3,201,396  | 890,180  |
| Net investment income (loss)                             | 18,398,546   | 4,987,121  |
| Realized and Unrealized Gain (Loss)                      |  |  |
| Net realized gain (loss) from:                           |  |  |
| Investments  | 5,545,500  | 156,185  |
| Swaps  | 5,296,392  | 853,557  |
| Change in net unrealized appreciation (depreciation) of: |  |  |
| Investments  | 29,881,757   | 9,370,427  |
| Swaps  | (14,535,319)                                       | (5,236,685)                                      |
| Net realized and unrealized gain (loss)                  | 26,188,330   | 5,143,484  |
| Net increase (decrease) in net assets from operations    | \$ 44,586,876                                      | \$ 10,130,605                                    |

See accompanying notes to financial statements.



## Statement of

## Changes in Net Assets

(Unaudited)

|   | Build America<br>Bond (NBB)    |                          | Build America<br>Bond Opportunity (NBD) |                          |
|---|--------------------------------|--------------------------|---|--------------------------|
|   | Six Months<br>Ended<br>9/30/14 | Year<br>Ended<br>3/31/14 | Six Months<br>Ended<br>9/30/14          | Year<br>Ended<br>3/31/14 |
| <b>Operations</b>   |                                |                          |   |                          |
| Net investment income (loss)  | \$ 18,398,546                  | \$ 36,889,533            | \$ 4,987,121                            | \$ 10,119,412            |
| Net realized gain (loss) from:  |                                |                          |   |                          |
| Investments   | 5,545,500                      | 2,655,764                | 156,185                                 | 759,391                  |
| Swaps   | 5,296,392                      | (555,048)                | 853,557                                 | (322,055)                |
| Change in net unrealized<br>appreciation (depreciation) of:                           |                                |                          |   |                          |
| Investments   | 29,881,757                     | (45,752,110)             | 9,370,427                               | (14,880,533)             |
| Swaps   | (14,535,319)                   | 13,393,057               | (5,236,685)                             | 5,114,608                |
| Net increase (decrease) in net<br>assets from operations                              | 44,586,876                     | 6,631,196                | 10,130,605                              | 790,823                  |
| Distributions to Shareholders   |                                |                          |   |                          |
| From net investment income  | (18,417,542)                   | (37,054,718)             | (4,928,391)                             | (9,730,690)              |
| Decrease in net assets from<br>distributions to shareholders                          | (18,417,542)                   | (37,054,718)             | (4,928,391)                             | (9,730,690)              |
| Net increase (decrease) in net<br>assets  | 26,169,334                     | (30,423,522)             | 5,202,214                               | (8,939,867)              |
| Net assets at the beginning of<br>period  | 567,689,512                    | 598,113,034              | 163,390,649                             | 172,330,516              |
| Net assets at the end of period   | \$ 593,858,846                 | \$ 567,689,512           | \$ 168,592,863                          | \$ 163,390,649           |
| Undistributed (Over-distribution<br>of) net investment income at the<br>end of period | \$ (973,454)                   | \$ (954,458)             | \$ 70,410                               | \$ 11,680                |

See accompanying notes to financial statements.

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Statement of

Cash Flows

Six Months Ended September 30, 2014  
(Unaudited)

|  | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|--|-----------------------------------|--|
| <b>Cash Flows from Operating Activities:</b>   |                                   |  |
| Net Increase (Decrease) in Net Assets from Operations  | \$ 44,586,876                     | \$ 10,130,605                                    |
| Adjustments to reconcile the net increase (decrease) in net assets from operations to net cash provided by (used in) operating activities: |                                   |  |
| Purchases of investments   | (32,572,524)                      | (3,055,020)                                      |
| Proceeds from sales and maturities of investments  | 33,654,530                        | 3,042,100  |
| Proceeds from (Purchases of) short-term investments, net   | (1,210,882)                       | 327,446  |
| Proceeds from (Payments for) swap contracts, net   | 5,296,392                         | 853,557  |
| Amortization (Accretion) of premiums and discounts, net  | 360,991                           | 27,477   |
| (Increase) Decrease in:  |                                   |  |
| Cash collateral at brokers   | (3,836,393)                       | (1,745,408)                                      |
| Interest rate swaps premiums paid  | (1,214)                           | (768)  |
| Receivable for interest  | (8,891)                           | 5,560  |
| Receivable for investments sold  | 240,000                           | 811,085  |
| Receivable for variation margin on swaps   | (278,870)                         | (125,941)  |
| Other assets   | (22,823)                          | 586  |
| Increase (Decrease) in:  |                                   |  |
| Payable for investments purchased  | (31,852)                          | —  |
| Accrued management fees  | 1,952                             | (36)   |
| Accrued interest on borrowings   | (5,263)                           | (684)  |
| Accrued Trustees fees  | (2,135)                           | (1,101)  |
| Accrued other expenses   | 2,585                             | (1,960)  |
| Net realized (gain) loss from:   |                                   |  |
| Investments  | (5,545,500)                       | (156,185)  |
| Swaps  | (5,296,392)                       | (853,557)  |
| Change in net unrealized (appreciation) depreciation of:   |                                   |  |
| Investments  | (29,881,757)                      | (9,370,427)                                      |
| Swaps(1)   | 12,767,854                        | 4,438,256  |
| Net cash provided by (used in) operating activities  | 18,216,684                        | 4,325,585  |
| <b>Cash Flows from Financing Activities:</b>   |                                   |  |
| Increase (decrease) in cash overdraft  | 254,039                           | 602,404  |
| Cash distributions paid to shareholders  | (18,470,723)                      | (4,927,989)                                      |
| Net cash provided by (used in) financing activities  | (18,216,684)                      | (4,325,585)                                      |
| Net Increase (Decrease) in Cash  | —                                 | —  |
| Cash at the beginning of period  | —                                 | —  |
| Cash at the end of period  | \$ —                              | \$ —   |

Supplemental Disclosure of Cash Flow Information

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|  | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|--|-----------------------------------|--|
| Cash paid for interest (excluding borrowing costs) | \$ 538,774                        | \$ 69,900  |

(1) Excluding exchange-cleared swaps.

See accompanying notes to financial statements.

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Financial

Highlights (Unaudited)

Selected data for a share outstanding throughout each period:

|                                 | Beginning NAV | Investment Operations<br>Net Investment Income (Loss)(a) | Investment Operations<br>Net Realized/Unrealized Gain (Loss) | Total Investment Income | Less Distributions<br>From Accumulated Net Realized Gains | Offering Total Costs | Ending NAV | Ending Market Value |
|---------------------------------|---------------|--|--|-------------------------|---|----------------------|------------|---------------------|
| <b>Build America Bond (NBB)</b> |               |  |  |                         |   |                      |            |                     |
| Year Ended 3/31:                |               |  |  |                         |   |                      |            |                     |
| 2015(h)                         | \$ 21.45      | \$ .70   | \$ .99   | \$1.69                  | \$(.70 )  | \$ —                 | \$22.44    | \$ 20.39            |
| 2014                            | 22.60         | 1.39   | (1.14 )  | .25                     | (1.40)  | —                    | 21.45      | 19.62               |
| 2013                            | 21.39         | 1.35   | 1.17   | 2.52                    | (1.31)  | —                    | 22.60      | 20.97               |
| 2012                            | 18.86         | 1.36   | 2.57   | 3.93                    | (1.40)  | —                    | 21.39      | 20.18               |
| 2011(f)                         | 19.10         | 1.19   | (.22 )   | .97                     | (1.17)  | —                    | 18.86      | 18.06               |

**Build America Bond Opportunity (NBD)**

Year Ended

3/31:

|         |       |      |         |      |        |   |       |       |
|---------|-------|------|---------|------|--------|---|-------|-------|
| 2015(h) | 22.68 | .69  | .71     | 1.40 | (.68 ) | — | 23.40 | 21.20 |
| 2014    | 23.92 | 1.40 | (1.29 ) | .11  | (1.35) | — | 22.68 | 20.50 |
| 2013    | 22.56 | 1.34 | 1.31    | 2.65 | (1.29) | — | 23.92 | 22.12 |
| 2012    | 19.43 | 1.45 | 3.17    | 4.62 | (1.49) | — | 22.56 | 20.97 |
| 2011(g) | 19.10 | .47  | .28     | .75  | (.38 ) | — | 19.43 | 18.63 |

Borrowings at the End of Period  
Aggregate Amount Outstanding (000 )  
Asset Coverage Per \$1,000

**Build America Bond (NBB)**

Year Ended 3/31:

|         |          |         |
|---------|----------|---------|
| 2015(h) | \$89,000 | \$7,673 |
| 2014    | 89,000   | 7,379   |
| 2013    | 89,000   | 7,720   |
| 2012    | 44,000   | 13,863  |
| 2011(f) | 44,000   | 12,341  |

**Build America Bond Opportunity (NBD)**

Year Ended 3/31:

|         |        |        |
|---------|--------|--------|
| 2015(h) | 11,500 | 15,660 |
| 2014    | 11,500 | 15,208 |
| 2013    | 11,500 | 15,985 |

|         |   |   |
|---------|---|---|
| 2012    | — | — |
| 2011(g) | — | — |

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Ratios/Supplemental Data

| Based on | Total Returns   |                   | Ratios to Average Net Assets (c) |                              |                    |
|----------|-----------------|-------------------|----------------------------------|------------------------------|--------------------|
|          | Based on Market | Ending Net Assets | Expenses(d)                      | Net Investment Income (Loss) | Portfolio Turnover |
| NAV(b)   | Value(b)        | (000)             |                                  |                              | Rate(e)            |
| 7.92%    | 7.52%           | \$ 593,859        | 1.08%*                           | 6.24%*                       | 5%                 |
| 1.44     | .63             | 567,690           | 1.12                             | 6.63                         | 6                  |
| 12.05    | 10.57           | 598,113           | 1.10                             | 6.10                         | 7                  |
| 21.29    | 19.92           | 565,952           | 1.05                             | 6.63                         | 18                 |
| 4.90     | (3.99)          | 499,020           | 1.11*                            | 6.70*                        | 100                |
| 6.22     | 6.77            | 168,593           | 1.05*                            | 5.90*                        | 2                  |
| .76      | (.85)           | 163,391           | 1.08                             | 6.34                         | 4                  |
| 11.97    | 11.88           | 172,331           | 1.07                             | 5.74                         | 4                  |
| 24.34    | 21.00           | 162,578           | .97                              | 6.74                         | 7                  |
| 3.73     | (4.96)          | 139,972           | .87*                             | 6.90*                        | 77                 |

- (a) Per share Net Investment Income (Loss) is calculated using the average daily shares method.
- (b) Total Return Based on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return Based on NAV is the combination of changes in NAV, reinvested dividend income at NAV and reinvested capital gains distributions at NAV, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending NAV. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its NAV), and therefore may be different from the price used in the calculation. Total returns are not annualized.

- (c) Net Investment Income (Loss) ratios reflect income earned and expenses incurred on assets attributable to borrowings, where applicable.
- (d) The expense ratios reflect, among other things, the interest expense deemed to have been paid by the Fund on the floating rate certificates issued by the special purpose trusts for the self-deposited inverse floaters held by the Fund, and/or all interest expense paid and other costs related to borrowings, where applicable, as described in Note 3 – Portfolio Securities and Investments in Derivatives, Inverse Floating Rate Securities and in Note 8 – Borrowing Arrangements, respectively, as follows:

Build America Bond (NBB)

Year Ended 3/31:

|         |       |
|---------|-------|
| 2015(h) | .19%* |
| 2014    | .22   |

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|                                      |       |
|--------------------------------------|-------|
| 2013                                 | .22   |
| 2012                                 | .18   |
| 2011(f)                              | .24*  |
| Build America Bond Opportunity (NBD) |       |
| Year Ended 3/31:                     |       |
| 2015(h)                              | .09%* |
| 2014                                 | .11   |
| 2013                                 | .10   |
| 2012                                 | .03   |
| 2011(g)                              | .03*  |

(e) Portfolio Turnover Rate is calculated based on the lesser of long-term purchases or sales (as disclosed in Note 5 – Investment Transactions) divided by the average long-term market value during the period.

(f) For the period April 27, 2010 (commencement of operations) through March 31, 2011.

(g) For the period November 23, 2010 (commencement of operations) through March 31, 2011.

(h) For the sixth months ended September 30, 2014.

\* Annualized.

See accompanying notes to financial statements.

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## Notes to Financial Statements (Unaudited)

### 1. General Information and Significant Accounting Policies

#### General Information

##### Fund Information

The funds covered in this report and their corresponding New York Stock Exchange (“NYSE”) symbols are as follows (each a “Fund” and collectively, the “Funds”):

- Nuveen Build America Bond Fund (NBB) (“Build America Bond (NBB)”)
- Nuveen Build America Bond Opportunity Fund (NBD) (“Build America Bond Opportunity (NBD)”)

The Funds are registered under the Investment Company Act of 1940, as amended, as diversified closed-end registered investment companies. Build America Bond (NBB) and Build America Bond Opportunity (NBD) were organized as Massachusetts business trusts on December 4, 2009 and June 4, 2010, respectively.

##### Investment Adviser

The Funds’ investment adviser is Nuveen Fund Advisors, LLC (the “Adviser”), a wholly-owned subsidiary of Nuveen Investments, Inc. (“Nuveen”). The Adviser is responsible for each Fund’s overall investment strategy and asset allocation decisions. The Adviser has entered into sub-advisory agreements with Nuveen Asset Management, LLC (the “Sub-Adviser”), a subsidiary of the Adviser, under which the Sub-Adviser manages the investment portfolios of the Funds.

##### Purchase and Sale Agreement

On October 1, 2014, TIAA-CREF, a national financial services organization, completed its previously announced acquisition of Nuveen, the parent company of the Adviser. The transaction has not resulted in any change in the portfolio management of the Funds or in the Funds’ investment objectives or policies.

Because the consummation of the acquisition resulted in the “assignment” (as defined in the Investment Company Act of 1940) and automatic termination of the Funds’ investment management agreements and investment sub-advisory agreements, Fund shareholders were asked to approve new investment management agreements with the Adviser and new investment sub-advisory agreements with each Fund’s Sub-adviser. These new agreements were approved by shareholders of each of the Funds, and went into effect on October 1, 2014. The terms of the new agreements, including the fees payable to each Fund’s Adviser and Sub-Adviser, are substantially identical to those of the investment management agreements and investment sub-advisory agreements in place immediately prior to the closing.

##### Investment Objectives and Principal Investment Strategies

Each Fund’s primary investment objective is to provide current income through investments in taxable municipal securities. Each Fund’s secondary investment objective is to seek enhanced portfolio value and total return. The Funds seek to achieve their investment objectives by investing primarily in a diversified portfolio of taxable municipal securities known as Build America Bonds (“BABs”), which make up approximately 80% of their managed assets (as defined in Note 7 – Management Fees and Other Transactions with Affiliates). BABs are taxable municipal securities that include bonds issued by state and local governments to finance capital projects such as public schools, roads, transportation infrastructure, bridges, ports and public buildings, among others, pursuant to the American Recovery and Reinvestment Act of 2009, which offer municipal issuers a federal subsidy equal to 32% of a bond’s interest payments. Under normal circumstances, the Funds may invest 20% of their managed assets in securities other than BABs, including taxable and tax-exempt municipal securities, U.S. Treasury and other U.S. government agency

securities. At least 80% of each Fund's managed assets will be invested in securities that are investment grade quality at the time of purchase, as rated by at least one independent rating agency or judged to be of comparable quality by the Sub-Adviser. In addition, each Fund will use an integrated leverage and hedging strategy that the Fund has the potential to enhance income and risk-adjusted total return over time. Each Fund may employ leverage instruments such as bank borrowings, including loans from certain financial institutions, and portfolio investments that have the economic effect of leverage, including investments in inverse floating rate securities. Each Fund's overall goal is to outperform over time the Barclays Build America Bond Index, an unleveraged index representing the BABs market, while maintaining a comparable overall level of interest rate risk.

The BAB program expired on December 31, 2010, and was not renewed. Build America Bond (NBB) and Build American Bond Opportunity (NBD) each have contingent term provisions stating that if there are no new issuances of BABs or similar U.S. Treasury-subsidized taxable municipal bonds for any twenty-four month period ending on or before December 31, 2014, Build America Bond (NBB) and Build American Bond Opportunity (NBD) will

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terminate on or around June 30, 2020, and December 31, 2020, respectively. Since there has been no new issuance of BABs for a twenty-four month period, the Funds are currently being managed in line with these termination dates and the distribution of each Fund’s assets to shareholders is planned for those times.

#### Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Funds in the preparation of their financial statements in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”).

#### Investment Transactions

Investment transactions are recorded on a trade date basis. Realized gains and losses from investment transactions are determined on the specific identification method, which is the same basis used for federal income tax purposes. Investments purchased on a when-issued/delayed delivery basis may have extended settlement periods. Any investments so purchased are subject to market fluctuation during this period. The Funds have instructed the custodian to earmark securities in the Funds’ portfolios with a current value at least equal to the amount of the when-issued/delayed delivery purchase commitments.

As of September 30, 2014, the Funds’ outstanding when-issued/delayed delivery purchase commitments were as follows:

|   |    | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|---|----|-----------------------------------|--|
| Outstanding when-issued/delayed delivery purchase commitments | \$ | —                                 | \$ —   |

#### Investment Income

Investment income, which reflects the amortization of premiums and includes accretion of discounts for financial reporting purposes, is recorded on an accrual basis. Investment income also reflects paydown gains and losses, if any.

#### Professional Fees

Professional fees presented on the Statement of Operations consist of legal fees incurred in the normal course of operations, audit fees, tax consulting fees and, in some cases, workout expenditures. Workout expenditures are incurred in an attempt to protect or enhance an investment, or to pursue other claims or legal actions on behalf of Fund shareholders. If a refund is received for workout expenditures paid in a prior reporting period, such amounts will be recognized as “Legal fee refund” on the Statement of Operations.

#### Dividends and Distributions to Shareholders

Dividends to shareholders are declared monthly. Net realized capital gains from investment transactions, if any, are distributed to shareholders at least annually. Furthermore, capital gains are distributed only to the extent they exceed available capital loss carryforwards.

Distributions to shareholders are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from U.S. GAAP.

#### Indemnifications

Under the Funds’ organizational documents, their officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Funds enter into contracts that provide general indemnifications to other parties. The Funds’ maximum exposure under these

arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, the Funds have not had prior claims or losses pursuant to these contracts and expect the risk of loss to be remote.

#### Netting Agreements

In the ordinary course of business, the Funds have entered into transactions subject to enforceable master repurchase agreements, International Swaps and Derivative Association, Inc. (“ISDA”) master agreements or other similar arrangements (“netting agreements”). Generally, the right to offset in netting agreements allows each Fund to offset any exposure to a specific counterparty with any collateral received or delivered to that counterparty based on the terms of the agreements. Generally, a Fund manages its cash collateral and securities collateral on a counterparty basis.

The Funds’ investments subject to netting agreements as of the end of the reporting period, if any, are further described in Note 3 – Portfolio Securities and Investments in Derivatives.

Notes to Financial Statements (Unaudited) (continued)

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results may differ from those estimates.

2. Investment Valuation and Fair Value Measurements

The fair valuation input levels as described below are for fair value measurement purposes.

Investment Valuation

Prices of fixed income securities are provided by a pricing service approved by the Funds' Board of Trustees (the "Board"). The pricing service establishes a security's fair value using methods that may include consideration of the following: yields or prices of investments of comparable quality, type of issue, coupon, maturity and rating, market quotes or indications of value from security dealers, evaluations of anticipated cash flows or collateral, general market conditions and other information and analysis, including the obligor's credit characteristics considered relevant. These securities are generally classified as Level 2. In pricing certain securities, particularly less liquid and lower quality securities, the pricing service may consider information about a security, its issuer or market activity provided by the Adviser. These securities are generally classified as Level 2 or Level 3 depending on the priority of the significant inputs.

Prices of swap contracts are also provided by a pricing service approved by the Board using the same methods as described above, and are generally classified as Level 2.

Repurchase agreements are valued at contract amount plus accrued interest, which approximates market value. These securities are generally classified as Level 2.

Certain securities may not be able to be priced by the pre-established pricing methods as described above. Such securities may be valued by the Board or its appointee at fair value. These securities generally include, but are not limited to, restricted securities (securities which may not be publicly sold without registration under the Securities Act of 1933, as amended) for which a pricing service is unable to provide a market price; securities whose trading has been formally suspended; debt securities that have gone into default and for which there is no current market quotation; a security whose market price is not available from a pre-established pricing source; a security with respect to which an event has occurred that is likely to materially affect the value of the security after the market has closed but before the calculation of a Fund's net asset value ("NAV") (as may be the case in non-U.S. markets on which the security is primarily traded) or make it difficult or impossible to obtain a reliable market quotation; and a security whose price, as provided by the pricing service, is not deemed to reflect the security's fair value. As a general principle, the fair value of a security would appear to be the amount that the owner might reasonably expect to receive for it in a current sale. A variety of factors may be considered in determining the fair value of such securities, which may include consideration of the following: yields or prices of investments of comparable quality, type of issue, coupon, maturity and rating, market quotes or indications of value from securities dealers, evaluations of anticipated cash flows or collateral, general market conditions and other information and analysis, including the obligor's credit characteristics considered relevant. These securities are generally classified as Level 2 or Level 3 depending on the priority of the significant inputs. Regardless of the method employed to value a particular security, all valuations are subject to review by the Board or its appointee.

Fair Value Measurements

Fair value is defined as the price that the Funds would receive upon selling an investment or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. A three-tier hierarchy is used to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability. Observable inputs are based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. Unobservable inputs are based on the best information available in the circumstances. The following is a summary of the three-tiered hierarchy of valuation input levels.

Level 1 – Inputs are unadjusted and prices are determined using quoted prices in active markets for identical securities.

Level 2 – Prices are determined using other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 – Prices are determined using significant unobservable inputs (including management's assumptions in determining the fair value of investments).

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The inputs or methodologies used for valuing securities are not an indication of the risks associated with investing in those securities. The following is a summary of each Fund's fair value measurements as of the end of the reporting period:

| Build America Bond (NBB)                    | Level 1   | Level 2                | Level 3   | Total                  |
|---|-----------|------------------------|-----------|------------------------|
| <b>Long-Term Investments*:</b>              |           |                        |           |                        |
| Municipal Bonds                             | \$        | —\$ 720,283,827        | \$        | —\$ 720,283,827        |
| <b>Short-Term Investments:</b>              |           |                        |           |                        |
| Repurchase Agreements                       | —         | 2,318,424              | —         | 2,318,424              |
| <b>Investments in Derivatives:</b>          |           |                        |           |                        |
| Interest Rate Swaps**                       | —         | (1,695,260)            | —         | (1,695,260)            |
| <b>Total</b>                                | <b>\$</b> | <b>—\$ 720,906,991</b> | <b>\$</b> | <b>—\$ 720,906,991</b> |
| <b>Build America Bond Opportunity (NBD)</b> |           |                        |           |                        |
| <b>Long-Term Investments*:</b>              |           |                        |           |                        |
| Municipal Bonds                             | \$        | —\$ 183,741,590        | \$        | —\$ 183,741,590        |
| <b>Investments in Derivatives:</b>          |           |                        |           |                        |
| Interest Rate Swaps**                       | —         | (1,053,964)            | —         | (1,053,964)            |
| <b>Total</b>                                | <b>\$</b> | <b>—\$ 182,687,626</b> | <b>\$</b> | <b>—\$ 182,687,626</b> |

\* Refer to the Fund's Portfolio of Investments for state classifications.

\*\* Represents net unrealized appreciation (depreciation) as reported in the Fund's Portfolio of Investments.

The Board is responsible for the valuation process and has appointed the oversight of the daily valuation process to the Adviser's Valuation Committee. The Valuation Committee, pursuant to the valuation policies and procedures adopted by the Board, is responsible for making fair value determinations, evaluating the effectiveness of the Funds' pricing policies and reporting to the Board. The Valuation Committee is aided in its efforts by the Adviser's dedicated Securities Valuation Team, which is responsible for administering the daily valuation process and applying fair value methodologies as approved by the Valuation Committee. When determining the reliability of independent pricing services for investments owned by the Funds, the Valuation Committee, among other things, conducts due diligence reviews of the pricing services and monitors the quality of security prices received through various testing reports conducted by the Securities Valuation Team.

The Valuation Committee will consider pricing methodologies it deems relevant and appropriate when making a fair value determination, based on the facts and circumstances specific to the portfolio instrument. Fair value determinations generally will be derived as follows, using public or private market information:

- (i) If available, fair value determinations shall be derived by extrapolating from recent transactions or quoted prices for identical or comparable securities.
- (ii) If such information is not available, an analytical valuation methodology may be used based on other available information including, but not limited to: analyst appraisals, research reports, corporate action information, issuer financial statements and shelf registration statements. Such analytical valuation methodologies may include, but are not limited to: multiple of earnings, discount from market value of a similar freely-traded security, discounted cash flow analysis, book value or a multiple thereof, risk premium/yield analysis, yield to maturity and/or fundamental investment analysis.

The purchase price of a portfolio instrument will be used to fair value the instrument only if no other valuation methodology is available or deemed appropriate, and it is determined that the purchase price fairly reflects the

instrument's current value.

For each portfolio security that has been fair valued pursuant to the policies adopted by the Board, the fair value price is compared against the last available and next available market quotations. The Valuation Committee reviews the results of such testing and fair valuation occurrences are reported to the Board.

### 3. Portfolio Securities and Investments in Derivatives

#### Portfolio Securities

##### Inverse Floating Rate Securities

Each Fund is authorized to invest in inverse floating rate securities. An inverse floating rate security is created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. In turn, this trust (a) issues floating rate certificates, in face amounts equal to some fraction of the deposited bond's par amount or market value, that typically pay short-term tax-exempt interest rates to third parties, and (b) issues to a long-term investor (such as one of the Funds) an inverse floating rate certificate (sometimes referred to as an "inverse floater") that represents all remaining or residual interest in the trust. The income received by the inverse floater holder varies inversely with the short-term rate paid to the floating rate certificates' holders, and in most circumstances the inverse floater holder bears substantially all of the underlying bond's downside investment risk and also benefits disproportionately from any potential appreciation of the underlying bond's value. The price of an inverse floating rate



Notes to Financial Statements (Unaudited) (continued)

security will be more volatile than that of the underlying bond because the interest rate is dependent on not only the fixed coupon rate of the underlying bond but also on the short-term interest paid on the floating rate certificates, and because the inverse floating rate security essentially bears the risk of loss of the greater face value of the underlying bond.

The inverse floater held by a Fund gives the Fund the right (a) to cause the holders of the floating rate certificates to tender their notes at par, and (b) to have the broker transfer the fixed-rate bond held by the trust to the Fund, thereby collapsing the trust.

A Fund may purchase an inverse floating rate security in a secondary market transaction without first owning the underlying bond (referred to as an “externally-deposited inverse floater”), or instead by first selling a fixed-rate bond to a broker-dealer for deposit into the special purpose trust and receiving in turn the residual interest in the trust (referred to as a “self-deposited inverse floater”).

An investment in an externally-deposited inverse floater is identified in the Portfolio of Investments as “(IF) – Inverse floating rate investment.” The Fund’s Statement of Assets and Liabilities shows only the inverse floaters and not the underlying bonds as an asset, and does not reflect the short-term floating rate certificates as liabilities. Also, the Fund reflects in “Investment Income” only the net amount of earnings on its inverse floater investment (net of the interest paid to the holders of the short-term floating rate certificates and the expenses of the trust), and does not show the amount of that interest paid as an interest expense on the Statement of Operations.

An investment in a self-deposited inverse floater is accounted for as a financing transaction. In such instances, a fixed-rate bond deposited into a special purpose trust is identified in the Portfolio of Investments as “(UB) – Underlying bond of an inverse floating rate trust reflected as a financing transaction,” with the Fund accounting for the short-term floating rate certificates issued by the trust, at their liquidation value, as “Floating rate obligations” on the Statement of Assets and Liabilities. In addition, the Fund reflects in “Investment Income” the entire earnings of the underlying bond and recognizes the related interest paid to the holders of the short-term floating rate certificates as a component of “Interest expense” on the Statement of Operations.

The average floating rate obligations outstanding and average annual interest rate and fees related to self-deposited inverse floaters during the six months ended September 30, 2014, were as follows:

|   | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|---|-----------------------------------|--|
| Average floating rate obligations outstanding | \$ 53,090,000                     | \$ 7,190,000                                     |
| Average annual interest rate and fees         | 0.54%                             | 0.53%  |

As of September 30, 2014, the total amount of floating rate obligations issued by each Fund’s self-deposited inverse floaters and externally-deposited inverse floaters was as follows:

| Build<br>America<br>Bond | Build<br>America<br>Bond<br>Opportunity |
|--------------------------|---|
|--------------------------|---|

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|  | (NBB)          | (NBD)         |
|--|----------------|---------------|
| Floating rate obligations: self-deposited inverse floaters       | \$ 53,090,000  | \$ 7,190,000  |
| Floating rate obligations: externally-deposited inverse floaters | 91,190,000     | 48,810,000    |
| Total  | \$ 144,280,000 | \$ 56,000,000 |

Each Fund may also enter into shortfall and forbearance agreements (sometimes referred to as a “recourse trust” or “credit recovery swap”) (such agreements referred to herein as “Recourse Trusts”) with a broker-dealer by which a Fund agrees to reimburse the broker-dealer, in certain circumstances, for the difference between the liquidation value of the fixed-rate bond held by the trust and the liquidation value of the floating rate certificates issued by the trust plus any shortfalls in interest cash flows. Under these agreements, a Fund’s potential exposure to losses related to or on inverse floaters may increase beyond the value of a Fund’s inverse floater investments as a Fund may potentially be liable to fulfill all amounts owed to holders of the floating rate certificates. At period end, any such shortfall is recognized as “Unrealized depreciation on Recourse Trusts” on the Statement of Assets and Liabilities.

As of September 30, 2014, each Fund’s maximum exposure to the floating rate obligations issued by externally-deposited Recourse Trusts was as follows:

|                                     | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|-------------------------------------|-----------------------------------|--|
| Maximum exposure to Recourse Trusts | \$ 91,190,000                     | \$ 40,810,000                                    |

### Repurchase Agreements

In connection with transactions in repurchase agreements, it is each Fund’s policy that its custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction, including accrued interest, at all times. If the counterparty defaults, and the fair value of the collateral declines, realization of the collateral may be delayed or limited.

The following table presents the repurchase agreements for the Funds that are subject to netting agreements as of the end of the reporting period, and the collateral delivered related to those repurchase agreements.

| Fund                     | Counterparty                      | Short-Term Investments, at Value | Collateral Pledged (From) Counterparty* | Net Exposure |
|--------------------------|-----------------------------------|----------------------------------|---|--------------|
| Build America Bond (NBB) | Fixed Income Clearing Corporation | \$ 2,318,424                     | \$ (2,318,424)                          | \$ —         |

\* As of September 30, 2014, the value of the collateral pledged from the counterparty exceeded the value of the repurchase agreements. Refer to the Fund’s Portfolio of Investments for details on the repurchase agreements.

### Zero Coupon Securities

A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

### Investments in Derivatives

Each Fund is authorized to invest in certain derivative instruments such as futures, options and swap contracts. Each Fund limits its investments in futures, options on futures and swap contracts to the extent necessary for the Adviser to claim the exclusion from registration by the Commodity Futures Trading Commission as a commodity pool operator with respect to the Fund. The Funds record derivative instruments at fair value with changes in fair value recognized on the Statement of Operations, when applicable. Even though the Funds’ investments in derivatives may represent economic hedges, they are not considered to be hedge transactions for financial reporting purposes.

### Swap Contracts

Interest rate swap contracts involve a Fund’s agreement with the counterparty to pay or receive a fixed rate payment in exchange for the counterparty receiving or paying a variable rate payment. Forward interest rate swap contracts involve a Fund’s agreement with a counterparty to pay, in the future, a fixed or variable rate payment in exchange for the counterparty paying the Fund a variable or fixed rate payment, the accruals for which would begin at a specified date in the future (the “effective date”). The amount of the payment obligation is based on the notional amount of the swap contract. Swap contracts do not involve the delivery of securities or other underlying assets or principal. Accordingly, the risk of loss with respect to the swap counterparty on such transactions is limited to the net amount of interest payments that the Fund is to receive.

Interest rate swap contracts are valued daily. Upon entering into an interest rate swap (and beginning on the effective date for a forward interest rate swap), a Fund accrues the fixed rate payment expected to be paid or received and the variable rate payment expected to be received or paid on the interest rate swap contracts on a daily basis, and recognizes the daily change in the fair value of the Fund’s contractual rights and obligations under the contracts. For over-the-counter (“OTC”) swaps, the net amount recorded on these transactions, for each counterparty, is recognized on

the Statement of Assets and Liabilities as a component of “Unrealized appreciation or depreciation on interest rate swaps (, net).”

Upon the execution of an exchanged-cleared swap contract, in certain instances a Fund is obligated to deposit cash or eligible securities, also known as “initial margin,” into an account at its clearing broker equal to a specified percentage of the contract amount. Cash held by the broker to cover initial margin requirements on open swap contracts, if any, is recognized as “Cash collateral at brokers” on the Statement of Assets and Liabilities. Investments in exchange-cleared interest rate swap contracts obligate a Fund and the clearing broker to settle monies on a daily basis representing changes in the prior day’s “mark-to-market” of the swap contract. If a Fund has unrealized appreciation, the clearing broker will credit the Fund’s account with an amount equal to the appreciation. Conversely, if the Fund has unrealized depreciation, the clearing broker will debit the Fund’s account with an amount equal to the depreciation. These daily cash settlements are also known as “variation margin.” Variation margin is recognized as a receivable and/or payable for “Variation margin on swap contracts” on the Statement of Assets and Liabilities.

The net amount of periodic payments settled in cash are recognized as a component of “Net realized gain (loss) from swaps” on the Statement of Operations, in addition to the net realized gain or loss recorded upon the termination of the swap contract. For tax purposes, payments expected to be received or paid on the swap contracts are treated as ordinary income or expense, respectively.

Changes in the value of the swap contracts during the fiscal period are recognized as a component of “Change in net unrealized appreciation (depreciation) of swaps.” In certain instances, payments are made or received upon entering into the swap contract to compensate for differences between the stated terms of the swap agreements and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other

Notes to Financial Statements (Unaudited) (continued)

relevant factors). Payments received or made at the beginning of the measurement period, if any, are recognized as “Interest rate swaps premiums paid and/or received” on the Statement of Assets and Liabilities.

During the six months ended September 30, 2014, each Fund used swap contracts to reduce the duration of its bond portfolio as well as to fix its interest cost of leverage.

The average notional amount of interest rate swap contracts outstanding during the six months ended September 30, 2014, was as follows:

|  | Build<br>America<br>Bond<br>Opportunity<br>(NBB) | Build<br>America<br>Bond<br>(NBD) |
|--|--|-----------------------------------|
| Average notional amount of interest rate swap contracts outstanding* | \$ 216,200,000                                   | \$ 85,700,000                     |

\* The average notional amount is calculated based on the outstanding notional at the beginning of the fiscal year and at the end of each fiscal quarter within the current fiscal year.

The following table presents the fair value of all swap contracts held by the Funds as of September 30, 2014, the location of these instruments on the Statement of Assets and Liabilities and the primary underlying risk exposure.

| Underlying<br>Risk<br>Exposure              | Derivative<br>Instrument | Location on the Statement of Assets and Liabilities |                       |   |                     |
|---|--------------------------|---|-----------------------|---|---------------------|
|   |                          | Asset Derivatives                                   |                       | (Liability) Derivatives                             |                     |
|   |                          | Location  | Value                 | Location  | Value               |
| <b>Build America Bond (NBB)</b>             |                          |   |                       |   |                     |
| Interest rate                               | Swaps (OTC)              | Unrealized appreciation on interest rate swaps      | \$ 254,141            | Unrealized depreciation on interest rate swaps, net | \$ (460,572)        |
|   |                          | —   | —                     | Unrealized depreciation on interest rate swaps, net | 278,636             |
| Interest rate                               | Swaps (Exchange-Cleared) | Receivable for variation margin on swap contracts*  | (1,767,465)           | —   | —                   |
| <b>Total</b>                                |                          |   | <b>\$ (1,513,324)</b> |   | <b>\$ (181,936)</b> |
| <b>Build America Bond Opportunity (NBD)</b> |                          |   |                       |   |                     |
| Interest rate                               | Swaps (OTC)              | Unrealized appreciation on interest rate swaps      | \$ 70,426             | Unrealized depreciation on interest rate swaps, net | \$ (387,921)        |

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|  |  |  |              |   |   |              |
|--|--|--|--------------|---|---|--------------|
|  |  | —  |              | — | Unrealized depreciation on interest rate swaps, net | 61,960       |
|  |  | Receivable for variation margin on swap contracts* |              |   |   |              |
| Interest rate Swaps (Exchange-Cleared) |  |  | (798,429)    | — |   | —            |
| Total                                  |  |  | \$ (728,003) |   |   | \$ (325,961) |

\* Value represents unrealized appreciation (depreciation) of swaps as reported on the Fund's Portfolio of Investments and not the asset and liability derivative location as described in the table above.

The following table presents each Fund's swap contracts, which are subject to netting agreements and collateral delivered related to those swap contracts as of September 30, 2014.

| Fund  | Counterparty      | Gross Unrealized Appreciation on Interest Rate Swaps* | Gross Unrealized (Depreciation) on Interest Rate Swaps* | Amounts Netted on Statement of Assets and Liabilities | Net Unrealized Appreciation (Depreciation) on Interest Rate Swaps | Collateral Pledged to (from) Counterparty | Net Exposure |
|---|-------------------|---|---|---|---|---|--------------|
| <b>Build America Bond (NBB)</b>             |                   |   |   |   |   |   |              |
|   | Barclays Bank PLC | \$ 254,141  | \$ —  | \$ —  | \$ 254,141  | \$ (254,141)                              | \$ —         |
|   | Morgan Stanley    | 278,636   | (460,572 )  | 278,636   | (181,936 )  | —   | (181,936)    |
| Total                                       |                   | \$ 532,777  | \$ (460,572 )   | \$ 278,636  | \$ 72,205   | \$ (254,141)                              | \$ (181,936) |
| <b>Build America Bond Opportunity (NBD)</b> |                   |   |   |   |   |   |              |
|   | Barclays Bank PLC | \$ 61,960   | \$ (387,921 )   | \$ 61,960   | \$ (325,961 )   | \$ 325,625                                | \$ (336 )    |
|   | Morgan Stanley    | 70,426  | —   | —   | 70,426  | (28,906 )                                 | 41,520       |
| Total                                       |                   | \$ 132,386  | \$ (387,921 )   | \$ 61,960   | \$ (255,535 )   | \$ 296,719                                | \$ 41,184    |

\* Represents gross unrealized appreciation (depreciation) for the counterparty as reported in the Fund's Portfolio of Investments.

The following table presents the amount of net realized gain (loss) and change in net unrealized appreciation (depreciation) recognized on swap contracts on the Statement of Operations during the six months ended September 30, 2014, and the primary underlying risk exposure.

| Fund                                 | Underlying Risk Exposure | Derivative Instrument | Net Realized Gain (Loss from) Swaps | Change in Net Unrealized Appreciation (Depreciation of) Swaps |
|--------------------------------------|--------------------------|-----------------------|-------------------------------------|---|
| Build America Bond (NBB)             | Interest rate            | Swaps                 | \$ 5,296,392                        | \$ (14,535,319 )  |
| Build America Bond Opportunity (NBD) | Interest rate            | Swaps                 | 853,557                             | (5,236,685 )  |

#### Market and Counterparty Credit Risk

In the normal course of business each Fund may invest in financial instruments and enter into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the other party to the transaction to perform (counterparty credit risk). The potential loss could exceed the value of the financial assets recorded on the financial statements. Financial assets, which potentially expose each Fund to counterparty credit risk, consist principally of cash due from counterparties on forward, option and swap transactions, when applicable. The extent of each Fund's exposure to counterparty credit risk in respect to these financial assets approximates their carrying value as recorded on the Statement of Assets and Liabilities.

Each Fund helps manage counterparty credit risk by entering into agreements only with counterparties the Adviser believes have the financial resources to honor their obligations and by having the Adviser monitor the financial stability of the counterparties. Additionally, counterparties may be required to pledge collateral daily (based on the daily valuation of the financial asset) on behalf of each Fund with a value approximately equal to the amount of any unrealized gain above a pre-determined threshold. Reciprocally, when each Fund has an unrealized loss, the Funds have instructed the custodian to pledge assets of the Funds as collateral with a value approximately equal to the amount of the unrealized loss above a pre-determined threshold. Collateral pledges are monitored and subsequently adjusted if and when the valuations fluctuate, either up or down, by at least the pre-determined threshold amount.

#### 4. Fund Shares

The Funds have not repurchased any of their outstanding shares since the inception of the Funds' repurchase programs.

Transactions in shares were as follows:

|  | Build America Bond (NBB) |                    | Build America Bond Opportunity (NBD) |                    |
|--|--------------------------|--------------------|--------------------------------------|--------------------|
|  | Six Months Ended 9/30/14 | Year Ended 3/31/14 | Six Months Ended 9/30/14             | Year Ended 3/31/14 |
| Shares issued to shareholders due to reinvestment of distributions | —                        | —                  | —                                    | —                  |

#### 5. Investment Transactions

Long-term purchases and sales (including maturities but excluding derivative transactions) during the six months ended September 30, 2014, were as follows:

| Build | Build America |
|-------|---------------|
|-------|---------------|

|                      | America<br>Bond<br>(NBB) | Bond<br>Opportunity<br>(NBD) |
|----------------------|--------------------------|------------------------------|
| Purchases            | \$ 32,572,524            | \$ 3,055,020                 |
| Sales and maturities | 33,654,530               | 3,042,100                    |

#### 6. Income Tax Information

Each Fund is a separate taxpayer for federal income tax purposes. Each Fund intends to distribute substantially all of its net investment income and net capital gains to shareholders and to otherwise comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. Therefore, no federal income tax provision is required.

For all open tax years and all major taxing jurisdictions, management of the Funds has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements. Open tax years are those that are open for examination by taxing authorities (i.e., generally the last four tax year ends and the interim tax period since then). Furthermore, management of the Funds is also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to timing differences in recognizing certain gains and losses on investment transactions and the treatment of investments in inverse floating rate securities reflected as financing transactions, if any. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts as detailed below. Temporary differences do not require reclassification. Temporary and permanent differences do not impact the NAVs of the Funds.



Notes to Financial Statements (Unaudited) (continued)

As of September 30, 2014, the cost and unrealized appreciation (depreciation) of investments (excluding investments in derivatives), as determined on a federal income tax basis, were as follows:

|   | Build<br>America<br>Bond<br>Opportunity<br>(NBB) | Build<br>America<br>Bond<br>(NBD) |
|---|--|-----------------------------------|
| Cost of investments                                       | \$ 576,802,281                                   | \$ 136,143,160                    |
| Gross unrealized:   |  |                                   |
| Appreciation  | \$ 94,998,546                                    | \$ 40,681,888                     |
| Depreciation  | (2,291,609)                                      | (276,490)                         |
| Net unrealized appreciation (depreciation) of investments | \$ 92,706,937                                    | \$ 40,405,398                     |

Permanent differences, primarily due to federal taxes paid, bond premium amortization and notional principal contracts reclassifications, resulted in reclassifications among the Funds' components of net assets as of March 31, 2014, the Funds' last tax year end, as follows:

|  | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|--|-----------------------------------|--|
| Paid-in surplus  | \$ —                              | \$ —   |
| Undistributed (Over-distribution of) net investment income | (491,741)                         | (314,955)  |
| Accumulated net realized gain (loss)                       | 491,741                           | 314,955  |

The tax components of undistributed net ordinary income and net long-term capital gains as of March 31, 2014, the Funds' last tax year end, were as follows:

|  | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|--|-----------------------------------|--|
| Undistributed net ordinary income <sup>1</sup> | \$ 3,516,849                      | \$ 888,756                                       |
| Undistributed net long-term capital gains      | —                                 | —  |

- 1 Net ordinary income consists of net taxable income derived from dividends, interest and net short-term capital gains, if any. Undistributed net ordinary income (on a tax basis) has not been reduced for the dividend declared on March 3, 2014, and paid on April 1, 2014.

The tax character of distributions paid during the Funds' last tax year ended March 31, 2014, was designated for purposes of the dividends paid deduction as follows:

| Build | Build<br>America |
|-------|------------------|
|-------|------------------|

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|   | America<br>Bond<br>(NBB) | Bond<br>Opportunity<br>(NBD) |
|---|--------------------------|------------------------------|
| Distributions from net ordinary income <sup>2</sup> | \$ 36,988,563            | \$ 9,705,472                 |
| Distributions from net long-term capital gains      | —                        | —                            |

- 2 Net ordinary income consists of net taxable income derived from dividends, interest, and net short-term capital gains, if any.

As of March 31, 2014, the Funds' last tax year end, the Funds had unused capital loss carryforwards available for federal income tax purposes to be applied against future capital gains, if any. If not applied, the carryforwards will expire as shown in the following table. The losses not subject to expiration will be utilized first by a Fund.

|                           | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|---------------------------|-----------------------------------|--|
| Not subject to expiration | \$ 13,683,467                     | \$ 9,410,757                                     |

During the Funds' last tax year ended March 31, 2014, the Funds utilized capital loss carryforwards as follows:

|                                     | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|-------------------------------------|-----------------------------------|--|
| Utilized capital loss carryforwards | \$ 2,592,457                      | \$ 752,291                                       |

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## 7. Management Fees and Other Transactions with Affiliates

Each Fund’s management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. The Sub-Adviser is compensated for its services to the Funds from the management fees paid to the Adviser.

Each Fund’s management fee consists of two components – a fund-level fee, based only on the amount of assets within the Fund, and a complex-level fee, based on the aggregate amount of all eligible fund assets managed by the Adviser. This pricing structure enables Fund shareholders to benefit from growth in the assets within their respective Fund as well as from growth in the amount of complex-wide assets managed by the Adviser.

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

| Average Daily Managed Assets*       | Fund-Level Fee Rate |
|-------------------------------------|---------------------|
| For the first \$125 million         | .4500%              |
| For the next \$125 million          | .4375               |
| For the next \$250 million          | .4250               |
| For the next \$500 million          | .4125               |
| For the next \$1 billion            | .4000               |
| For managed assets over \$2 billion | .3875               |

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

| Complex-Level Managed Asset Breakpoint Level* | Effective Rate at Breakpoint Level |
|---|------------------------------------|
| \$55 billion                                  | .2000%                             |
| \$56 billion                                  | .1996                              |
| \$57 billion                                  | .1989                              |
| \$60 billion                                  | .1961                              |
| \$63 billion                                  | .1931                              |
| \$66 billion                                  | .1900                              |
| \$71 billion                                  | .1851                              |
| \$76 billion                                  | .1806                              |
| \$80 billion                                  | .1773                              |
| \$91 billion                                  | .1691                              |
| \$125 billion                                 | .1599                              |
| \$200 billion                                 | .1505                              |
| \$250 billion                                 | .1469                              |
| \$300 billion                                 | .1445                              |

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

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September 30, 2014, the complex-level fee rate for these Funds was .1646%.

The Funds pay no compensation directly to those of its trustees who are affiliated with the Adviser or to its officers, all of whom receive remuneration for their services to the Funds from the Adviser or its affiliates. The Board has adopted a deferred compensation plan for independent trustees that enables trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from certain Nuveen-advised funds. Under the plan, deferred amounts are treated as though equal dollar amounts had been invested in shares of select Nuveen-advised funds.

8. Borrowing Arrangements

As part of their investment strategies the Funds have each entered into a committed secured 364-day line of credit (“Borrowings”) with their custodian bank as a means of leverage. Each Fund’s maximum commitment amount under these Borrowings is as follows:

|                           | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|---------------------------|-----------------------------------|--|
| Maximum commitment amount | \$ 95,000,000                     | \$ 15,000,000                                    |

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Notes to Financial Statements (Unaudited) (continued)

On May 21, 2014, each Fund amended its Borrowings and decreased its maximum commitment amount. For the period April 1, 2014 through May 20, 2014, each Fund's maximum commitment amount was as follows:

|                           | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|---------------------------|-----------------------------------|--|
| Maximum commitment amount | \$ 100,000,000                    | \$ 25,000,000                                    |

As of September 30, 2014, each Fund's outstanding balance on its Borrowings was as follows:

|                        | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|------------------------|-----------------------------------|--|
| Outstanding Borrowings | \$ 89,000,000                     | \$ 11,500,000                                    |

During the six months ended September 30, 2014, the average daily balance outstanding and average annual interest rate on each Fund's Borrowings were as follows:

|                                   | Build<br>America<br>Bond<br>(NBB) | Build<br>America<br>Bond<br>Opportunity<br>(NBD) |
|-----------------------------------|-----------------------------------|--|
| Average daily balance outstanding | \$ 89,000,000                     | \$ 11,500,000                                    |
| Average annual interest rate      | 0.86%                             | 0.86%  |

In order to maintain these Borrowings, the Funds must meet certain collateral, asset coverage and other requirements. Borrowings outstanding are fully secured by securities held in each Fund's portfolio of investments. Interest expense incurred on each Fund's Borrowings was calculated at a rate per annum equal to the higher of (i) the overnight Federal Funds rate plus .80% or (ii) the overnight London Inter-bank Offered Rate (LIBOR) plus .80% for the period April 1, 2014 through May 20, 2014.

In addition to the interest expense, the Funds each pay a .10% per annum facility fee, based on the unused portion of the commitment amount of the Borrowings through the renewal date.

On May 21, 2014, each Fund renewed its Borrowings, at which time the termination date was extended through May 20, 2015. The interest charged on each Fund's Borrowings was changed from the higher of (i) the overnight Federal Funds rate plus .80% or (ii) the overnight LIBOR plus .80% to the higher of (i) the overnight Federal Funds rate plus .75% or (ii) the overnight LIBOR plus .75%. Each Fund also paid a one-time closing fee of .05% on the maximum commitment amount of the Borrowings, which will be fully expensed through the termination date of May 20, 2015. All other terms of the Borrowings remained unchanged.

Borrowings outstanding are recognized as “Borrowings” on the Statement of Assets and Liabilities. Interest expense, facility fees and one-time closing fees are recognized as components of “Interest expense” on the Statement of Operations.

#### 9. New Accounting Pronouncement

Financial Accounting Standards Board (“FASB”) Financial Services – Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements

During 2013, the FASB issued Accounting Standards Update (“ASU”) 2013-08, “Financial Services – Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements,” which amends the criteria that define an investment company and clarifies the measurement guidance and requires new disclosures for investment companies. ASU 2013-08 is effective for fiscal years beginning on or after December 15, 2013.

Management has evaluated the implications of ASU 2013-08 and determined that each Fund’s current disclosures already followed this guidance and therefore it does not have an impact on the Funds’ financial statements or footnote disclosures.

#### 10. Subsequent Events

##### Purchase and Sale Agreement

As previously described in Note 1 – General Information and Significant Accounting Policies, Purchase and Sale Agreement, on October 1, 2014, TIAA-CREF completed its previously announced acquisition of Nuveen and new investment management agreements and new sub-advisory agreements have been approved by shareholders of the Funds and went into effect on October 1, 2014.

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Additional Fund Information

Board of Trustees

|                      |                          |                     |                   |                      |                 |
|----------------------|--------------------------|---------------------|-------------------|----------------------|-----------------|
| William Adams IV*    | Robert P. Bremner        | Jack B. Evans       | William C. Hunter | David J. Kundert     | John K. Nelson  |
| William J. Schneider | Thomas S. Schreier, Jr.* | Judith M. Stockdale | Carole E. Stone   | Virginia L. Stringer | Terence J. Toth |

\* Interested Board Member.

|   |   |   |  |  |
|---|---|---|--|--|
| Fund Manager<br>Nuveen Fund<br>Advisors, LLC<br>333 West Wacker<br>Drive<br>Chicago, IL 60606 | Custodian<br>State Street Bank<br>& Trust<br>Company<br>Boston, MA<br>02111 | Legal Counsel<br>Chapman and Cutler<br>LLP<br>Chicago, IL 60603 | Independent Registered<br>Public Accounting<br>Firm**<br>KPMG LLP<br>Chicago, IL 60601 | Transfer Agent and<br>Shareholder Services<br>State Street Bank<br>& Trust Company<br><br>Nuveen Funds<br>P.O. Box 43071<br>Providence, RI<br>02940-3071<br>(800) 257-8787 |
|---|---|---|--|--|

\*\* During the fiscal period ended March 31, 2015, the Board of Trustees of the Funds, upon recommendation of the Audit Committee, engaged KPMG LLP (“KPMG”) as the independent registered public accounting firm to the Funds replacing Ernst & Young LLP (“Ernst & Young”), which resigned as the independent registered public accounting firm effective August 11, 2014 as a result of the pending acquisition of Nuveen Investments by TIAA-CREF.

Ernst & Young’s report on the Funds for the two most recent fiscal periods ended March 31, 2014 and March 31, 2013, contained no adverse opinion or disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope or accounting principles. For the fiscal periods ended March 31, 2014 and March 31, 2013 for the Funds and for the period April 1, 2014 through August 11, 2014, there were no disagreements with Ernst & Young on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of Ernst & Young, would have caused it to make reference to the subject matter of the disagreements in connection with its reports on the Funds’ financial statements.

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Quarterly Form N-Q Portfolio of Investments Information

Each Fund is required to file its complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year on Form N-Q. You may obtain this information directly from the SEC. Visit the SEC on-line at <http://www.sec.gov> or in person at the SEC’s Public Reference Room in Washington, D.C. Call the SEC toll-free at (800) SEC -0330 for room hours and operation.

Nuveen Funds’ Proxy Voting Information

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You may obtain (i) information regarding how each fund voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, without charge, upon request, by calling Nuveen Investments toll-free at (800) 257-8787 or on Nuveen's website at [www.nuveen.com](http://www.nuveen.com) and (ii) a description of the policies and procedures that each fund used to determine how to vote proxies relating to portfolio securities without charge, upon request, by calling Nuveen Investments toll free at (800) 257-8787. You may also obtain this information directly from the SEC. Visit the SEC on-line at <http://www.sec.gov>.

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### CEO Certification Disclosure

Each Fund's Chief Executive Officer (CEO) has submitted to the New York Stock Exchange (NYSE) the annual CEO certification as required by Section 303A.12(a) of the NYSE Listed Company Manual. Each Fund has filed with the SEC the certification of its CEO and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

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### Share Information

Each Fund intends to repurchase shares of its own common stock at such times and in such amounts as is deemed advisable. During the period covered by this report, each Fund repurchased shares of its common stock as shown in the accompanying table. Any future repurchases will be reported to shareholders in the next annual or semi-annual report.

|                    | NBB | NBD |
|--------------------|-----|-----|
| Shares repurchased | —   | —   |

### FINRA BrokerCheck

The Financial Industry Regulatory Authority (FINRA) provides information regarding the disciplinary history of FINRA member firms and associated investment professionals. This information as well as an investor brochure describing FINRA BrokerCheck is available to the public by calling the FINRA BrokerCheck Hotline number at (800) 289-9999 or by visiting [www.FINRA.org](http://www.FINRA.org).

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## Glossary of Terms Used in this Report

**Auction Rate Bond:** An auction rate bond is a security whose interest payments are adjusted periodically through an auction process, which process typically also serves as a means for buying and selling the bond. Auctions that fail to attract enough buyers for all the shares offered for sale are deemed to have “failed,” with current holders receiving a formula-based interest rate until the next scheduled auction.

**Average Annual Total Return:** This is a commonly used method to express an investment’s performance over a particular, usually multi-year time period. It expresses the return that would have been necessary each year to equal the investment’s actual cumulative performance (including change in NAV or market price and reinvested dividends and capital gains distributions, if any) over the time period being considered.

**Barclays Aggregate-Eligible Build America Bond Index:** An unleveraged index that comprises all direct pay Build America Bonds that are SEC-regulated, taxable, dollar-denominated and have at least one year to final maturity, at least \$250 million par amount outstanding, and are determined to be investment grade by Barclays. Index returns assume reinvestment of distributions, but do not reflect any applicable sales charges or management fees.

**Duration:** Duration is a measure of the expected period over which a bond’s principal and interest will be paid, and consequently is a measure of the sensitivity of a bond’s or bond fund’s value to changes when market interest rates change. Generally, the longer a bond’s or fund’s duration, the more the price of the bond or fund will change as interest rates change.

**Effective Leverage:** Effective leverage is a fund’s effective economic leverage, and includes both regulatory leverage (see leverage) and the leverage effects of certain derivative investments in a Fund’s portfolio. Currently, the leverage effects of Tender Option Bond (TOB) inverse floater holdings are included in effective leverage values, in addition to any regulatory leverage.

**Forward Interest Rate Swap:** A contractual agreement between two counterparties under which one party agrees to make periodic payments to the other for an agreed period of time based on a fixed rate, while the other party agrees to make periodic payments based on a floating rate of interest based on an underlying index. Alternatively, both series of cashflows to be exchanged could be calculated using floating rates of interest but floating rates that are based upon different underlying indices.

**Gross Domestic Product (GDP):** The total market value of all final goods and services produced in a country/region in a given year, equal to total consumer, investment and government spending, plus the value of exports, minus the value of imports.

**Inverse Floating Rate Securities:** Inverse floating rate securities, also known as inverse floaters or tender option bonds (TOBs), are created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. This trust, in turn, (a) issues floating rate certificates typically paying short-term tax-exempt interest rates to third parties in amounts equal to some fraction of the deposited bond’s par amount or market value, and (b) issues an inverse floating rate certificate (sometimes referred to as an “inverse floater”) to an investor (such as a fund) interested in gaining investment exposure to a long-term municipal bond. The income received by the holder of the inverse floater varies inversely with the short-term rate paid to the floating rate certificates’ holders, and in most circumstances the holder of the inverse floater bears substantially all of the underlying bond’s downside investment risk. The holder of the inverse floater typically also benefits disproportionately from any potential appreciation of the underlying bond’s value. Hence, an inverse floater

essentially represents an investment in the underlying bond on a leveraged basis.

**Leverage:** Leverage is created whenever a fund has investment exposure (both reward and/or risk) equivalent to more than 100% of the investment capital.

**Net Asset Value (NAV) Per Share:** A fund's Net Assets is equal to its total assets (securities, cash, accrued earnings and receivables) less its total liabilities. NAV per share is equal to the fund's Net Assets divided by its number of shares outstanding.

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**Pre-Refunding:** Pre-Refunding, also known as advanced refundings or refinancings, is a procedure used by state and local governments to refinance municipal bonds to lower interest expenses. The issuer sells new bonds with a lower yield and uses the proceeds to buy U.S. Treasury securities, the interest from which is used to make payments on the higher-yielding bonds. Because of this collateral, pre-refunding generally raises a bond's credit rating and thus its value.

**Regulatory Leverage:** Regulatory leverage consists of preferred shares issued by or borrowings of a fund. Both of these are part of a fund's capital structure. Regulatory leverage is subject to asset coverage limits set in the Investment Company Act of 1940.

**Total Investment Exposure:** Total investment exposure is a fund's assets managed by the Adviser that are attributable to financial leverage. For these purposes, financial leverage includes a fund's use of preferred stock and borrowings and investments in the residual interest certificates (also called inverse floating rate securities) in tender option bond (TOB) trusts, including the portion of assets held by a TOB trust that has been effectively financed by the trust's issuance of floating rate securities.

**Zero Coupon Bond:** A zero coupon bond does not pay a regular interest coupon to its holders during the life of the bond. Income to the holder of the bond comes from accretion of the difference between the original purchase price of the bond at issuance and the par value of the bond at maturity and is effectively paid at maturity. The market prices of zero coupon bonds generally are more volatile than the market prices of bonds that pay interest periodically.

## Reinvest Automatically, Easily and Conveniently

Nuveen makes reinvesting easy. A phone call is all it takes to set up your reinvestment account.

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### Nuveen Closed-End Funds Automatic Reinvestment Plan

Nuveen Closed-End Fund allows you to conveniently reinvest distributions in additional Fund shares. By choosing to reinvest, you'll be able to invest money regularly and automatically, and watch your investment grow through the power of compounding. Just like distributions in cash, there may be times when income or capital gains taxes may be payable on distributions that are reinvested. It is important to note that an automatic reinvestment plan does not ensure a profit, nor does it protect you against loss in a declining market.

### Easy and convenient

To make recordkeeping easy and convenient, each month you'll receive a statement showing your total distributions, the date of investment, the shares acquired and the price per share, and the total number of shares you own.

### How shares are purchased

The shares you acquire by reinvesting will either be purchased on the open market or newly issued by the Fund. If the shares are trading at or above net asset value at the time of valuation, the Fund will issue new shares at the greater of the net asset value or 95% of the then-current market price. If the shares are trading at less than net asset value, shares for your account will be purchased on the open market. If the Plan Agent begins purchasing Fund shares on the open market while shares are trading below net asset value, but the Fund's shares subsequently trade at or above their net asset value before the Plan Agent is able to complete its purchases, the Plan Agent may cease open-market purchases and may invest the uninvested portion of the distribution in newly-issued Fund shares at a price equal to the greater of the shares' net asset value or 95% of the shares' market value on the last business day immediately prior to the purchase date. Distributions received to purchase shares in the open market will normally be invested shortly after the distribution payment date. No interest will be paid on distributions awaiting reinvestment. Because the market price of the shares may increase before purchases are completed, the average purchase price per share may exceed the market price at the time of valuation, resulting in the acquisition of fewer shares than if the distribution had been paid in shares issued by the Fund. A pro rata portion of any applicable brokerage commissions on open market purchases will be paid by Plan participants. These commissions usually will be lower than those charged on individual transactions.

### Flexible

You may change your distribution option or withdraw from the Plan at any time, should your needs or situation change. You can reinvest whether your shares are registered in your name, or in the name of a brokerage firm, bank, or other nominee. Ask your investment advisor if his or her firm will participate on your behalf. Participants whose shares are registered in the name of one firm may not be able to transfer the shares to another firm and continue to participate in the Plan. The Fund reserves the right to amend or terminate the Plan at any time. Although the Fund reserves the right to amend the Plan to include a service charge payable by the participants, there is no direct service charge to participants in the Plan at this time.

### Call today to start reinvesting distributions

For more information on the Nuveen Automatic Reinvestment Plan or to enroll in or withdraw from the Plan, speak with your financial advisor or call us at (800) 257-8787.

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Annual Investment Management Agreement Approval Process (Unaudited)

I. The Approval Process

The Board of Trustees of each Fund (each, a “Board” and each Trustee, a “Board Member”), including the Board Members who are not parties to the Funds’ advisory or sub-advisory agreements or “interested persons” of any such parties (the “Independent Board Members”), is responsible for overseeing the performance of the investment adviser and the sub-adviser to the respective Fund and determining whether to approve or continue such Fund’s advisory agreement (each, an “Original Investment Management Agreement”) between the Fund and Nuveen Fund Advisors, LLC (the “Adviser”) and sub-advisory agreement (each, an “Original Sub-Advisory Agreement” and, together with the Original Investment Management Agreement, the “Original Advisory Agreements”) between the Adviser and Nuveen Asset Management, LLC (the “Sub-Adviser”). Pursuant to the Investment Company Act of 1940, as amended (the “1940 Act”), each Board is required to consider the continuation of the respective Original Advisory Agreements on an annual basis. In addition, prior to its annual review, the Board Members were advised of the potential acquisition of Nuveen Investments, Inc. (“Nuveen”) by TIAA-CREF (the “Transaction”). For purposes of this section, references to “Nuveen” herein include all affiliates of Nuveen Investments, Inc. providing advisory, sub-advisory, distribution or other services to the Funds and references to the “Board” refer to the Board of each Fund. In accordance with the 1940 Act and the terms of the Original Advisory Agreements, the completion of the Transaction would terminate each of the Original Investment Management Agreements and the Original Sub-Advisory Agreements. Accordingly, at an in-person meeting held on April 30, 2014 (the “April Meeting”), the Board, including all of the Independent Board Members, performed its annual review of the Original Advisory Agreements and approved the continuation of the Original Advisory Agreements for the Funds. Furthermore, in anticipation of the termination of the Original Advisory Agreements that would occur upon the consummation of the Transaction, the Board also approved for each Fund a new advisory agreement (each, a “New Investment Management Agreement”) between the Fund and the Adviser and a new sub-advisory agreement (each, a “New Sub-Advisory Agreement” and, together with the New Investment Management Agreement, the “New Advisory Agreements”) between the Adviser and the Sub-Adviser, each on behalf of the respective Fund to be effective following the completion of the Transaction and the receipt of the requisite shareholder approval.

Leading up to the April Meeting, the Independent Board Members had several meetings and deliberations, with and without management from Nuveen present and with the advice of legal counsel, regarding the Original Advisory Agreements, the Transaction and its impact and the New Advisory Agreements. At its meeting held on February 25-27, 2014 (the “February Meeting”), the Board Members met with a senior executive representative of TIAA-CREF to discuss the proposed Transaction. At the February Meeting, the Independent Board Members also established an ad hoc committee comprised solely of the Independent Board Members to monitor and evaluate the Transaction and to keep the Independent Board Members updated with developments regarding the Transaction. On March 20, 2014, the ad hoc committee met telephonically to discuss with management of Nuveen, and separately with independent legal counsel, the terms of the proposed Transaction and its impact on, among other things: the governance structure of Nuveen; the strategic plans for Nuveen; the operations of the Nuveen funds (which include the Funds); the quality or level of services provided to the Nuveen funds; key personnel that service the Nuveen funds and/or the Board and the compensation or incentive arrangements to retain such personnel; Nuveen’s capital structure; the regulatory requirements applicable to Nuveen or fund operations; and the Nuveen funds’ fees and expenses, including the funds’ complex-wide fee arrangement. Following the meeting of the ad hoc committee, the Board met in person (two Independent Board Members participating telephonically) in an executive session on March 26, 2014 to further discuss the proposed Transaction. At the executive session, the Board met privately with independent legal counsel to review its duties with respect to reviewing advisory agreements, particularly in the context of a change of control, and to evaluate further the Transaction and its impact on the Nuveen funds, the Adviser and the Sub-Adviser (collectively, the “Fund Advisers” and each, a “Fund Adviser”) and the services provided. Representatives of Nuveen also met with the Board to update the Board Members



Annual Investment Management Agreement Approval Process (Unaudited) (continued)

on developments regarding the Transaction, to respond to questions and to discuss, among other things: the governance of the Fund Advisers following the Transaction; the background, culture (including with respect to regulatory and compliance matters) and resources of TIAA-CREF; the general plans and intentions of TIAA-CREF for Nuveen; the terms and conditions of the Transaction (including financing terms); any benefits or detriments the Transaction may impose on the Nuveen funds, TIAA-CREF or the Fund Advisers; the reaction from the Fund Advisers' employees knowledgeable of the Transaction; the incentive and retention plans for key personnel of the Fund Advisers; the potential access to additional distribution platforms and economies of scale; and the impact of any additional regulatory schemes that may be applicable to the Nuveen funds given the banking and insurance businesses operated in the TIAA-CREF enterprise. As part of its review, the Board also held a separate meeting on April 15-16, 2014 to review the Nuveen funds' investment performance and consider an analysis provided by the Adviser of each sub-adviser of the Nuveen funds (including the Sub-Adviser) and the Transaction and its implications to the Nuveen funds. During their review of the materials and discussions, the Independent Board Members presented the Adviser with questions and the Adviser responded. Further, the Independent Board Members met in an executive session with independent legal counsel on April 29, 2014 and April 30, 2014.

In connection with their review of the Original Advisory Agreements and the New Advisory Agreements, the Independent Board Members received extensive information regarding the Funds and the Fund Advisers including, among other things: the nature, extent and quality of services provided by each Fund Adviser; the organization and operations of any Fund Adviser; the expertise and background of relevant personnel of each Fund Adviser; a review of each Fund's performance (including performance comparisons against the performance of peer groups and appropriate benchmarks); a comparison of Fund fees and expenses relative to peers; a description and assessment of shareholder service levels for the Funds; a summary of the performance of certain service providers; a review of fund initiatives and shareholder communications; and an analysis of the Adviser's profitability with comparisons to peers in the managed fund business. In light of the proposed Transaction, the Independent Board Members, through their independent legal counsel, also requested in writing and received additional information regarding the proposed Transaction and its impact on the provision of services by the Fund Advisers.

The Independent Board Members received, well in advance of the April Meeting, materials which responded to the request for information regarding the Transaction and its impact on Nuveen and the Nuveen funds including, among other things: the structure and terms of the Transaction; the impact of the Transaction on Nuveen, its operations and the nature, quality and level of services provided to the Nuveen funds, including, in particular, any changes to those services that the Nuveen funds may experience following the Transaction; the strategic plan for Nuveen, including any financing arrangements following the Transaction and any cost-cutting efforts that may impact services; the organizational structure of TIAA-CREF, including the governance structure of Nuveen following the Transaction; any anticipated effect on each Nuveen fund's expense ratios (including changes to advisory and sub-advisory fees) and economies of scale that may be expected; any benefits or conflicts of interest that TIAA-CREF, Nuveen or their affiliates can expect from the Transaction; any benefits or undue burdens or other negative implications that may be imposed on the Nuveen funds as a result of the Transaction; the impact on Nuveen or the Nuveen funds as a result of being subject to additional regulatory schemes that TIAA-CREF must comply with in operating its various businesses; and the costs associated with obtaining necessary shareholder approvals and the bearer of such costs. The Independent Board Members also received a memorandum describing the applicable laws, regulations and duties in approving advisory contracts, including in conjunction with a change of control, from their independent legal counsel.

The materials and information prepared in connection with the review of the Original Advisory Agreements and New Advisory Agreements supplemented the information and analysis provided to the Board during the year. In this regard, throughout the year, the Board, acting directly or through its committees, regularly reviewed the performance and various services provided by the Adviser and Sub-Adviser. The Board met at least quarterly as well as at other



times as the need arose. At its quarterly meetings, the Board reviewed reports by the Adviser regarding, among other things, fund performance, fund expenses, premium and discount levels of closed-end funds, the performance of the investment teams and compliance, regulatory and risk management matters. In

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addition to regular reports, the Adviser provided special reports to the Board or a committee thereof from time to time to enhance the Board's understanding of various topics that impact some or all the Nuveen funds (such as distribution channels, oversight of omnibus accounts and leverage management topics), to update the Board on regulatory developments impacting the investment company industry or to update the Board on the business plans or other matters impacting the Adviser. The Board also met with key investment personnel managing certain Nuveen fund portfolios during the year.

In addition, the Board has created several standing committees (the Executive Committee; the Dividend Committee; the Audit Committee; the Compliance, Risk Management and Regulatory Oversight Committee; the Nominating and Governance Committee; the Open-End Funds Committee; and the Closed-End Funds Committee). The Open-End Funds Committee and Closed-End Funds Committee are intended to assist the full Board in monitoring and gaining a deeper insight into the distinctive business practices of closed-end and open-end funds. These two Committees have met prior to each quarterly Board meeting, and the Adviser provided presentations to these Committees permitting them to delve further into specific matters or initiatives impacting the respective product line.

Further, the Board continued its program of seeking to have the Board Members or a subset thereof visit each sub-adviser to the Nuveen funds and meet key investment and business personnel at least once over a multiple year rotation. In this regard, the Independent Board Members made site visits to certain equity and fixed income teams of the Sub-Adviser in September 2013 and met with the Sub-Adviser's municipal team at the August and November 2013 quarterly meetings.

The Board considered the information provided and knowledge gained at these meetings and visits during the year when performing its annual review of the Original Advisory Agreements and its review of the New Advisory Agreements. The Independent Board Members also were assisted throughout the process by independent legal counsel. During the course of the year and during their deliberations regarding the review of advisory contracts, the Independent Board Members met with independent legal counsel in executive sessions without management present. In addition, it is important to recognize that the management arrangements for the funds are the result of many years of review and discussion between the Independent Board Members and Nuveen fund management and that the Board Members' conclusions may be based, in part, on their consideration of fee arrangements and other factors developed in previous years.

The Board considered all factors it believed relevant with respect to each Fund, including, among other things: (a) the nature, extent and quality of the services provided by the Fund Advisers, (b) the investment performance of the Fund and the Fund Advisers, (c) the advisory fees and costs of the services to be provided to the Fund and the profitability of the Fund Advisers, (d) the extent of any economies of scale, (e) any benefits derived by the Fund Advisers from the relationship with the Fund and (f) other factors. With respect to the New Advisory Agreements, the Board also considered the Transaction and its impact on the foregoing factors. Each Board Member may have accorded different weight to the various factors in reaching his or her conclusions with respect to a Fund's Original Advisory Agreements and New Advisory Agreements. The Independent Board Members did not identify any single factor as all-important or controlling. The Independent Board Members' considerations were instead based on a comprehensive consideration of all the information presented. The principal factors considered by the Board and its conclusions are described below.

#### A. Nature, Extent and Quality of Services

##### 1. The Original Advisory Agreements

In considering renewal of each Original Advisory Agreement, the Independent Board Members considered the nature, extent and quality of the respective Fund Adviser's services, including portfolio management services (and the resulting Fund performance) and administrative services. The Independent Board Members further

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considered the overall reputation and capabilities of the Adviser and its affiliates, the commitment of the Adviser to provide high quality service to the Funds, their overall confidence in the capability and integrity of the Adviser and its staff and the Adviser's responsiveness to questions and concerns raised by

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Annual Investment Management Agreement Approval Process (Unaudited) (continued)

them. The Independent Board Members reviewed materials outlining, among other things: each Fund Adviser's organization and business; the types of services that each Fund Adviser or its affiliates provide to each Fund; the performance record of each Fund (as described in further detail below); and any initiatives Nuveen had taken for the closed-end fund product line.

In considering the services provided by the Fund Advisers, the Board recognized that the Adviser provides a myriad of investment management, administrative, compliance, oversight and other services for the Funds, and the Sub-Adviser generally provides the portfolio advisory services to the Funds under the oversight of the Adviser. The Board considered the wide range of services provided by the Adviser to the Nuveen funds beginning with developing the fund and monitoring and analyzing its performance to providing or overseeing the services necessary to support a fund's daily operations. The Board recognized the Adviser, among other things, provides: (a) product management (such as analyzing ways to better position a fund in the marketplace, maintaining relationships to gain access to distribution platforms and setting dividends); (b) fund administration (such as preparing a fund's tax returns, regulatory filings and shareholder communications; managing fund budgets and expenses; overseeing a fund's various service providers; and supporting and analyzing new and existing funds); (c) Board administration (such as supporting the Board and its committees, in relevant part, by organizing and administering the Board and committee meetings and preparing the necessary reports to assist the Board in its duties); (d) compliance (such as monitoring adherence to a fund's investment policies and procedures and applicable law; reviewing the compliance program periodically and developing new policies or updating existing compliance policies and procedures as considered necessary or appropriate; responding to regulatory requests; and overseeing compliance testing of sub-advisers); (e) legal support (such as preparing or reviewing fund registration statements, proxy statements and other necessary materials; interpreting regulatory requirements and compliance thereof; and maintaining applicable registrations); and (f) investment services (such as overseeing and reviewing sub-advisers and their investment teams; analyzing performance of the funds; overseeing investment and risk management; overseeing the daily valuation process for portfolio securities and developing and recommending valuation policies and methodologies and changes thereto; and participating in fund development, leverage management and the development of investment policies and parameters). With respect to closed-end funds, the Adviser also monitors asset coverage levels on leveraged funds, manages leverage, negotiates the terms of leverage, evaluates alternative forms and types of leverage, promotes an orderly secondary market for common shares and maintains an asset maintenance system for compliance with certain rating agency criteria.

In its review, the Board also considered the new services, initiatives or other changes adopted since the last advisory contract review that were designed to enhance the services and support the Adviser provides to the Nuveen funds. The Board recognized that some initiatives are a multi-year process. In reviewing the activities of 2013, the Board recognized that the year reflected the Adviser's continued focus on fund rationalization for both closed-end and open-end funds, consolidating certain funds through mergers that were designed to improve efficiencies and economies of scale for shareholders, repositioning various funds through updates in their investment policies and guidelines with the expectation of bringing greater value to shareholders, and liquidating certain funds. As in the past, the Board recognized the Adviser's significant investment in its technology initiatives, including the continued progress toward a central repository for fund and other Nuveen product data and implementing a data system to support the risk oversight group enabling it to provide more detailed risk analysis for the Nuveen funds. The Board noted the new data system has permitted more in-depth analysis of the investment risks of the Funds and across the complex providing additional feedback and insights to the investment teams and more comprehensive risk reporting to the Board. The Adviser also conducted several workshops for the Board regarding the new data system, including explaining the risk measures being applied and their purpose. The Board also recognized the enhancements in the valuation group within the

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Adviser, including centralizing the fund pricing process within the valuation group, trending to more automated and expedient reviews and continuing to expand its valuation team. The Board further considered the expansion of personnel in the compliance department enhancing the collective expertise of the group, investments in additional compliance systems and the updates of various compliance policies.

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In addition to the foregoing actions, the Board also considered other initiatives related to the closed-end funds, including the continued investment of considerable resources and personnel dedicated to managing and overseeing the various forms of leverage utilized by certain funds. The Board recognized the results of these efforts included the development of less expensive forms of leverage, expansion of leverage providers, the negotiation of more favorable terms for existing leverage, the enhanced ability to respond to market and regulatory developments and the enhancements to technology systems to manage and track the various forms of leverage. The Board also noted Nuveen's continued capital management services, including executing share repurchase programs, its implementation of data systems that permit more targeted solicitation strategies for fund mergers and more targeted marketing and promotional efforts and its continued focus and efforts to address the discounts of various funds. The Board further noted Nuveen's continued commitment to supporting the secondary market for the common shares of its closed-end funds through a comprehensive communication program designed to further educate the investor and analyst about closed-end funds. Nuveen's support services included, among other things, maintaining and enhancing a closed-end fund website, creating marketing campaigns and educational materials, communicating with financial advisers, sponsoring and participating in conferences, providing educational seminars and programs and evaluating the results of these marketing efforts.

As noted, the Adviser also oversees the Sub-Adviser who provides the portfolio advisory services to the Funds. In reviewing the portfolio advisory services provided to each Fund, the Nuveen Investment Services Oversight Team of the Adviser analyzes the performance of the Sub-Adviser and may recommend changes to the investment team or investment strategies as appropriate. In assisting the Board's review of the Sub-Adviser, the Adviser provides a report analyzing, among other things, the Sub-Adviser's investment team and changes thereto, organization and history, assets under management, the investment team's philosophy and strategies in managing each Fund, developments affecting the Sub-Adviser or the Funds and their performance. In their review of the Sub-Adviser, the Independent Board Members considered, among other things, the experience and qualifications of the relevant investment personnel, their investment philosophy and strategies, the Sub-Adviser's organization and stability, its capabilities and any initiatives taken or planned to enhance its current capabilities or support potential growth of business and, as outlined in further detail below, the performance of the Funds. The Independent Board Members also reviewed portfolio manager compensation arrangements to evaluate each Fund Adviser's ability to attract and retain high quality investment personnel, preserve stability, and reward performance while not providing an inappropriate incentive to take undue risks.

Given the importance of compliance, the Independent Board Members also considered Nuveen's compliance program, including the report of the chief compliance officer regarding the Nuveen funds' compliance policies and procedures; the resources dedicated to compliance; the record of compliance with the policies and procedures; and Nuveen's supervision of the Funds' service providers. The Board recognized Nuveen's commitment to compliance and strong commitment to a culture of compliance. Given the Adviser's emphasis on monitoring investment risk, the Board has also appointed two Independent Board Members as point persons to review and keep the Board apprised of developments in this area and work with applicable Fund Adviser personnel.

Based on their review, the Independent Board Members found that, overall, the nature, extent and quality of services provided to each Fund under the respective Original Advisory Agreement were satisfactory.

## 2. The New Advisory Agreements

In evaluating the nature, quality and extent of the services expected to be provided by the Fund Advisers under the New Investment Management Agreements and the New Sub-Advisory Agreements, the Board Members concluded that no diminution in the nature, quality and extent of services provided to each Fund and its shareholders by the respective Fund Advisers is expected as a result of the Transaction. In making their determination, the Independent Board Members considered, among other things: the expected impact, if any, of

the Transaction on the operations, facilities, organization and personnel of each Fund

Annual Investment Management Agreement Approval Process (Unaudited) (continued)

Adviser; the ability of each Fund Adviser to perform its duties after the Transaction, including any changes to the level or quality of services provided to the Funds; the potential implications of any additional regulatory requirements imposed on the Fund Advisers or the Nuveen funds following the Transaction; and any anticipated changes to the investment and other practices of the Nuveen funds.

The Board noted that the terms of each New Investment Management Agreement, including the fees payable thereunder, are substantially identical to those of the Original Investment Management Agreement relating to the same Fund. Similarly, the terms of each New Sub-Advisory Agreement, including fees payable thereunder, are substantially identical to those of the Original Sub-Advisory Agreement relating to the same Fund. The Board considered that the services to be provided and the standard of care under the New Investment Management Agreements and the New Sub-Advisory Agreements are the same as the corresponding original agreements. The Board Members noted the Transaction also does not alter the allocation of responsibilities between the Adviser and the Sub-Adviser. The Sub-Adviser will continue to furnish an investment program, make investment decisions and place all orders for the purchase and sale of securities, all on behalf of each Fund and subject to oversight of the Board and the Adviser. The Board noted that TIAA-CREF did not anticipate any material changes to the advisory, sub-advisory or other services provided to the Nuveen funds as a result of the Transaction. The Independent Board Members recognized that there were not any planned “cost cutting” measures that could be expected to reduce the nature, extent or quality of services. The Independent Board Members further noted that there were currently no plans for material changes to senior personnel at Nuveen or key personnel who provide services to the Nuveen funds and the Board following the Transaction. The key personnel who have responsibility for the Nuveen funds in each area, including portfolio management, investment oversight, fund management, fund operations, product management, legal/compliance and board support functions, are expected to be the same following the Transaction, although such personnel may have additional reporting requirements to TIAA-CREF. The Board also considered the anticipated incentive plans designed to retain such key personnel. Notwithstanding the foregoing, the Board Members recognized that personnel changes may occur in the future as a result of normal business developments or personal career decisions.

The Board Members also considered Nuveen’s proposed governance structure following the Transaction and noted that Nuveen was expected to remain a stand-alone business within the TIAA-CREF enterprise and operate relatively autonomously from the other TIAA-CREF businesses, but would receive the general support and oversight from certain TIAA-CREF functional groups (such as legal, finance, internal audit, compliance, and risk management groups). The Board recognized, however, that Nuveen may be subject to additional reporting requirements as it keeps TIAA-CREF abreast of developments affecting the Nuveen business, may be required to modify certain of its reports, policies and procedures as necessary to conform to the practices followed in the TIAA-CREF enterprise and may need to collaborate with TIAA-CREF with respect to strategic planning for its business.

In considering the implications of the Transaction, the Board Members also recognized the reputation and size of TIAA-CREF and the benefits that the Transaction may bring to the Nuveen funds and Nuveen. In this regard, the Board recognized, among other things, that the increased resources and support that may be available to Nuveen from TIAA-CREF and the improved capital structure of Nuveen Investments, Inc. (the parent of the Adviser) that would result from the significant reduction in its debt level may reinforce and enhance Nuveen’s ability to provide quality services to the Nuveen funds and to invest further into its infrastructure.

Further, with the consummation of the Transaction, the Board recognized the enhanced distribution capabilities for the Nuveen funds as the funds may gain access to TIAA-CREF’s distribution network, particularly through



TIAA-CREF's retirement platform and institutional client base. The Board also considered that investors in TIAA-CREF's retirement platform may choose to roll their investments as they exit their retirement plans into the Nuveen funds. The Independent Board Members recognized the potential cost savings to the benefit of all shareholders of the Nuveen funds from reduced expenses as assets in the Nuveen fund complex rise pursuant to the complex-wide fee arrangement described in further detail below.

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Based on their review, the Independent Board Members found that the expected nature, extent and quality of services to be provided to each Fund under its New Advisory Agreements were satisfactory and supported approval of the New Advisory Agreements.

B. The Investment Performance of the Funds and Fund Advisers

1. The Original Advisory Agreements

The Board, including the Independent Board Members, considered the performance history of each Fund over various time periods. The Board reviewed reports, including an analysis of each Fund's performance and the applicable investment team. In considering each Fund's performance, the Board recognized that a fund's performance can be reviewed through various measures including the fund's absolute return, the fund's return compared to the performance of other peer funds and the fund's performance compared to its respective benchmark. Accordingly, the Board reviewed, among other things, each Fund's historic investment performance as well as information comparing the Fund's performance information with that of other funds (the "Performance Peer Group") and with recognized and/or customized benchmarks (i.e., generally benchmarks derived from multiple recognized benchmarks) for the quarter, one- and three-year periods ending December 31, 2013, as well as performance information reflecting the first quarter of 2014. With respect to closed-end funds, the Independent Board Members also reviewed historic premium and discount levels, including a summary of actions taken to address or discuss other developments affecting the secondary market discounts of various funds. This information supplemented the Nuveen fund performance information provided to the Board at each of its quarterly meetings.

In evaluating performance, the Board recognized several factors that may impact the performance data as well as the consideration given to particular performance data.

- The performance data reflects a snapshot in time, in this case as of the end of the most recent calendar year or quarter. A different performance period, however, could generate significantly different results.
- Long-term performance can be adversely affected by even one period of significant underperformance so that a single investment decision or theme has the ability to disproportionately affect long-term performance.
- The investment experience of a particular shareholder in a fund will vary depending on when such shareholder invests in such fund, the class held (if multiple classes offered in the fund) and the performance of the fund (or respective class) during that shareholder's investment period.
- The usefulness of comparative performance data as a frame of reference to measure a fund's performance may be limited because the Performance Peer Group, among other things, does not adequately reflect the objectives and strategies of the fund, has a different investable universe, or the composition of the peer set may be limited in size or number as well as other factors. In this regard, the Board noted that the Adviser classified the Performance Peer Groups of the Nuveen funds from highly relevant to less relevant. For funds classified with less relevant Performance Peer Groups, which include the Funds, the Board considered each fund's performance compared to its benchmark to help assess the fund's comparative performance. A fund was generally considered to have performed comparably to its benchmark if the fund's performance was within certain thresholds compared to the performance of its benchmark and was considered to have outperformed or underperformed its benchmark if the fund's performance was beyond these thresholds for the one- and three-year periods, subject to certain exceptions.<sup>i</sup> While the Board is cognizant of the relative performance of a fund's peer set and/or benchmark(s), the Board evaluated fund performance in light of the respective fund's investment objectives, investment parameters and guidelines and considered that the variations between the objectives and investment parameters or guidelines of the fund with its peers and/or benchmarks result in differences in performance

results. Further, for funds that utilize leverage, the Board understands that leverage during different periods can provide both benefits and risks to a portfolio as compared to an unlevered benchmark.

Annual Investment Management Agreement Approval Process (Unaudited) (continued)

With respect to any Nuveen funds for which the Board has identified performance concerns, the Board monitors such funds closely until performance improves, discusses with the Adviser the reasons for such results, considers those steps necessary or appropriate to address such issues and reviews the results of any efforts undertaken. The Board is aware, however, that shareholders chose to invest or remain invested in a fund knowing that the Adviser manages the fund and knowing the fund's fee structure.

With respect to the Nuveen funds with Performance Peer Groups classified as less relevant as noted above, the Board considered such funds' performance compared to their respective benchmarks and noted that the Funds' performance over time was satisfactory compared to the performance of their benchmarks. In this regard, the Board considered that, although Nuveen Build America Bond Fund underperformed its benchmark in the three-year period, it outperformed its benchmark in the one-year period, and Nuveen Build America Bond Opportunity Fund outperformed its benchmark in the one-year period and provided comparable performance in the three-year period.

Based on their review, the Independent Board Members determined that each Fund's investment performance had been satisfactory.

2. The New Advisory Agreements

With respect to the performance of each Fund, the Board considered that the portfolio investment personnel responsible for the management of the respective Fund portfolios were expected to continue to manage such portfolios following the completion of the Transaction and the investment strategies of the Funds were not expected to change as a result of the Transaction (subject to changes unrelated to the Transaction that are approved by the Board and/or shareholders). Accordingly, the findings regarding performance outlined above for the Original Advisory Agreements are applicable to the review of the New Advisory Agreements.

C. Fees, Expenses and Profitability

1. Fees and Expenses

The Board evaluated the management fees and expenses of each Fund, reviewing, among other things, such Fund's gross management fees, net management fees and net expense ratios in absolute terms as well as compared to the fees and expenses of a comparable universe of funds provided by an independent fund data provider (the "Peer Universe") and any expense limitations.

The Independent Board Members further reviewed the methodology regarding the construction of the applicable Peer Universe. In reviewing the comparisons of fee and expense information, the Independent Board Members took into account that in certain instances various factors such as the limited size and particular composition of the Peer Universe (including the inclusion of other Nuveen funds in the peer set); expense anomalies; changes in the funds comprising the Peer Universe from year to year; levels of reimbursement or fee waivers; the timing of information used; and the differences in the type and use of leverage may impact the comparative data thereby limiting somewhat the ability to make a meaningful comparison with peers.

In reviewing the fee schedule for a fund, the Independent Board Members also considered the fund-level and complex-wide breakpoint schedules (described in further detail below) and any fee waivers and reimbursements provided by Nuveen. In reviewing fees and expenses (excluding leverage costs and leveraged assets for the closed-end funds), the Board considered the expenses and fees to be higher if they were over 10 basis points higher, slightly higher if they were approximately 6 to 10 basis points higher, in line if they were within approximately 5 basis points higher than the peer average and below if they were below the peer average of the

Peer Universe. In reviewing the reports, the Board noted that the majority of the Nuveen funds were at, close to or below their peer average based on the net total expense ratio. The Independent Board Members observed that the Funds had net management fees and net expense ratios (including fee waivers and expense reimbursements) that were below their respective peer averages.

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Based on their review of the fee and expense information provided, the Independent Board Members determined that each Fund's management fees (as applicable) to a Fund Adviser were reasonable in light of the nature, extent and quality of services provided to the Fund.

## 2. Comparisons with the Fees of Other Clients

The Board recognized that all Nuveen funds have a sub-adviser, either affiliated or non-affiliated, and therefore the overall fund management fee can be divided into two components, the fee retained by the Adviser and the fee paid to the sub-adviser. In general terms, the fee to the Adviser reflects the administrative and other services it provides to support the Nuveen fund (as described above) and, while some administrative services may occur at the sub-adviser level, the fee to the sub-adviser generally reflects the portfolio management services provided by the sub-adviser. The Independent Board Members considered the fees a Fund Adviser assesses to the Funds compared to that of other clients. With respect to municipal funds, such other clients of a Fund Adviser may include: municipal separately managed accounts and passively managed exchange traded funds (ETFs) sub-advised by the Adviser.

The Independent Board Members reviewed the nature of services provided by the Adviser, including through its affiliated sub-advisers and the average fee the affiliated sub-advisers assessed such clients as well as the range of fees assessed to the different types of separately managed accounts (such as retail, institutional or wrap accounts) to the extent applicable to the respective sub-adviser. In their review, the Independent Board Members considered the differences in the product types, including, but not limited to: the services provided, the structure and operations, product distribution and costs thereof, portfolio investment policies, investor profiles, account sizes and regulatory requirements. In evaluating the comparisons of fees, the Independent Board Members noted that the fee rates charged to the Nuveen funds and other clients vary, among other things, because of the different services involved and the additional regulatory and compliance requirements associated with registered investment companies, such as the Funds. The Independent Board Members noted that, as a general matter, higher fee levels reflect higher levels of service, increased investment management complexity, greater product management requirements and higher levels of risk or a combination of the foregoing. The Independent Board Members further noted, in particular, that the range of services provided to the Funds (as discussed above) is generally much more extensive than that provided to separately managed accounts. Many of the additional administrative services provided by the Adviser are not required for institutional clients. The Independent Board Members also recognized that the management fee rates of the foreign funds advised by the Adviser may vary due to, among other things, differences in the client base, governing bodies, operational complexities and services covered by the management fee. Given the inherent differences in the various products, particularly the extensive services provided to the Funds, the Independent Board Members believe such facts justify the different levels of fees.

## 3. Profitability of Fund Advisers

In conjunction with their review of fees, the Independent Board Members also considered the profitability of Nuveen for its advisory activities and its financial condition. The Independent Board Members reviewed the revenues and expenses of Nuveen's advisory activities for the last two calendar years, the allocation methodology used in preparing the profitability data, an analysis of the key drivers behind the changes in revenues and expenses that impacted profitability in 2013 and Nuveen's consolidated financial statements for 2013. The Independent Board Members noted this information supplemented the profitability information requested and received during the year to help keep them apprised of developments affecting profitability (such as changes in fee waivers and expense reimbursement commitments). In this regard, the Independent Board Members noted that two Independent Board Members served as point persons to review the profitability analysis and methodologies employed, and any changes thereto, and to keep the Board apprised of such changes. The Independent Board Members also considered Nuveen's revenues for advisory activities, expenses and profit margin compared to that of various unaffiliated management firms.



Annual Investment Management Agreement Approval Process (Unaudited) (continued)

In reviewing profitability, the Independent Board Members noted the Adviser's continued investment in its business with expenditures to, among other things, upgrade its investment technology and compliance systems and provide for additional personnel and other resources. The Independent Board Members recognized the Adviser's continued commitment to its business should enhance the Adviser's capacity and capabilities in providing the services necessary to meet the needs of the Nuveen funds as they grow or change over time. In addition, in evaluating profitability, the Independent Board Members also noted the subjective nature of determining profitability which may be affected by numerous factors including the allocation of expenses and that various allocation methodologies may each be reasonable but yield different results. Further, the Independent Board Members recognized the difficulties in making comparisons as the profitability of other advisers generally is not publicly available, and the profitability information that is available for certain advisers or management firms may not be representative of the industry and may be affected by, among other things, an adviser's particular business mix, capital costs, size, types of funds managed and expense allocations. Notwithstanding the foregoing, the Independent Board Members noted the Adviser's adjusted operating margin appears to be reasonable in relation to other investment advisers and sufficient to operate as a viable investment management firm meeting its obligations to the Nuveen funds. Based on their review, the Independent Board Members concluded that the Adviser's level of profitability for its advisory activities was reasonable in light of the services provided.

With respect to sub-advisers affiliated with Nuveen, including the Sub-Adviser, the Independent Board Members reviewed such sub-advisers' revenues, expenses and profitability margins (pre- and post-tax) for their advisory activities and the methodology used for allocating expenses among the internal sub-advisers. Based on their review, the Independent Board Members were satisfied that the Sub-Adviser's level of profitability was reasonable in light of the services provided.

In evaluating the reasonableness of the compensation, the Independent Board Members also considered other amounts paid to a Fund Adviser by the funds as well as indirect benefits (such as soft dollar arrangements), if any, the Fund Adviser and its affiliates receive or are expected to receive that are directly attributable to the management of a Nuveen fund. See Section E below for additional information on indirect benefits the Fund Advisers may receive as a result of its relationship with a Nuveen fund. Based on their review of the overall fee arrangements of each Fund, the Independent Board Members determined that the advisory fees and expenses of the Funds were reasonable.

#### 4. The New Advisory Agreements

As noted above, the terms of the New Advisory Agreements are substantially identical to their corresponding Original Advisory Agreements. The fee schedule, including the breakpoint schedule and complex-wide fee schedule, in each New Advisory Agreement is identical to that under the corresponding Original Advisory Agreement. The Board Members also noted that Nuveen has committed for a period of two years from the date of closing the Transaction not to increase contractual management fee rates for any Nuveen fund. This commitment shall not limit or otherwise affect mergers or liquidations of any funds in the ordinary course. Based on the information provided, the Board Members did not believe that the overall expenses would increase as a result of the Transaction. In addition, the Board Members recognized that the Nuveen funds may gain access to the retirement platform and institutional client base of TIAA-CREF, and the investors in the retirement platforms may roll their investments into one or more Nuveen funds as they exit their retirement plans. The enhanced distribution access may result in additional sales of the Nuveen funds resulting in an increase in total assets under management in the complex and a corresponding decrease in overall management fees if additional breakpoints at the fund-level or complex-wide level are met. Based on its review, the Board determined that the management fees and expenses under each New Advisory Agreement were reasonable.



Further, other than from a potential reduction in the debt level of Nuveen Investments, Inc., the Board recognized that it is difficult to predict with any degree of certainty the impact of the Transaction on Nuveen's profitability. Given the fee schedule was not expected to change under the New Advisory Agreements, however, the Independent Board Members concluded that each Fund Adviser's level of profitability for its advisory activities under the respective New Advisory Agreements would continue to be reasonable in light of the services provided.

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D. Economies of Scale and Whether Fee Levels Reflect These Economies of Scale

1. The Original Advisory Agreements

With respect to economies of scale, the Independent Board Members have recognized the potential benefits resulting from the costs of a fund being spread over a larger asset base, although economies of scale are difficult to measure and predict with precision, particularly on a fund-by-fund basis. One method to help ensure the shareholders share in these benefits is to include breakpoints in the advisory fee schedule. Generally, management fees for funds in the Nuveen complex are comprised of a fund-level component and a complex-level component, subject to certain exceptions. Accordingly, the Independent Board Members reviewed and considered the applicable fund-level breakpoints in the advisory fee schedules that reduce advisory fees as asset levels increase. Further, the Independent Board Members noted that, although closed-end funds may from time-to-time make additional share offerings, the growth of their assets would occur primarily through the appreciation of such funds' investment portfolios.

In addition to fund-level advisory fee breakpoints, the Board also considered the Nuveen funds' complex-wide fee arrangement. Pursuant to the complex-wide fee arrangement, the fees of the funds in the Nuveen complex are reduced as the assets in the fund complex reach certain levels. The complex-wide fee arrangement seeks to provide the benefits of economies of scale to fund shareholders when total fund complex assets increase, even if assets of a particular fund are unchanged or have decreased. The approach reflects the notion that some of Nuveen's costs are attributable to services provided to all its funds in the complex and therefore all funds benefit if these costs are spread over a larger asset base.

Based on their review, the Independent Board Members concluded that the breakpoint schedules and complex-wide fee arrangement (as applicable) were acceptable and reflect economies of scale to be shared with shareholders when assets under management increase.

2. The New Advisory Agreements

As noted, the Independent Board Members recognized that the fund-level and complex-wide schedules will not change under the New Advisory Agreements. Assets in the funds advised by TIAA-CREF or its current affiliates will not be included in the complex-wide fee calculation. Nevertheless, the Nuveen funds may have access to TIAA-CREF's retirement platform and institutional client base. The access to this distribution network may enhance the distribution of the Nuveen funds which, in turn, may lead to reductions in management and sub-advisory fees if the Nuveen funds reach additional fund-level and complex-wide breakpoint levels. Based on their review, including the considerations in the annual review of the Original Advisory Agreements, the Independent Board Members determined that the fund-level breakpoint schedules and complex-wide fee schedule continue to be appropriate and desirable in ensuring that shareholders participate in the benefits derived from economies of scale under the New Advisory Agreements.

E. Indirect Benefits

1. The Original Advisory Agreements

In evaluating fees, the Independent Board Members received and considered information regarding potential "fall out" or ancillary benefits the respective Fund Adviser or its affiliates may receive as a result of its relationship with each Fund. In this regard, with respect to closed-end funds, the Independent Board Members considered any revenues received by affiliates of the Adviser for serving as co-manager in initial public offerings of new closed-end funds as well as revenues received in connection with secondary offerings.

In addition to the above, the Independent Board Members considered whether the Fund Advisers received any benefits from soft dollar arrangements whereby a portion of the commissions paid by a fund for brokerage may

be used to acquire research that may be useful to a Fund Adviser in managing the assets of the fund and other clients. Each Fund's portfolio transactions are allocated by the Sub-Adviser. Accordingly, the Independent Board Members considered that the Sub-Adviser may benefit from

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its soft dollar arrangements pursuant to which it receives research from brokers that execute the applicable Fund's portfolio transactions. With respect to any fixed income securities, however, the Board recognized that such securities generally trade on a principal basis that does not generate soft dollar credits. Similarly, the Board recognized that the research received pursuant to soft dollar arrangements by the Sub-Adviser may also benefit the Funds and their shareholders to the extent the research enhances the ability of the Sub-Adviser to manage the Funds. The Independent Board Members noted that the Sub-Adviser's profitability may be somewhat lower if it did not receive the research services pursuant to the soft dollar arrangements and had to acquire such services directly.

Based on their review, the Independent Board Members concluded that any indirect benefits received by a Fund Adviser as a result of its relationship with the Funds were reasonable and within acceptable parameters.

2. The New Advisory Agreements

The Independent Board Members noted that, as the applicable policies and operations of the Fund Advisers with respect to the Nuveen funds were not anticipated to change significantly after the Transaction, such indirect benefits should remain after the Transaction. The Independent Board Members further noted the benefits the Transaction would provide to TIAA-CREF and Nuveen, including a larger-scale fund complex, certain shared services (noted above) and a broader range of investment capabilities, distribution capabilities and product line. Further, the Independent Board Members noted that Nuveen Investments, Inc. (the parent of the Adviser) would benefit from an improved capital structure through a reduction in its debt level.

F. Other Considerations for the New Advisory Agreements

In addition to the factors above, the Board Members also considered the following with respect to the Nuveen funds:

- Nuveen would rely on the provisions of Section 15(f) of the 1940 Act. In this regard, to help ensure that an unfair burden is not imposed on the Nuveen funds, Nuveen has committed for a period of two years from the date of the closing of the Transaction not to increase contractual management fee rates for any fund. This commitment shall not limit or otherwise affect mergers or liquidations of any funds in the ordinary course.
- The Nuveen funds would not incur any costs in seeking the necessary shareholder approvals for the New Investment Management Agreements or the New Sub-Advisory Agreements (except for any costs attributed to seeking shareholder approvals of fund specific matters unrelated to the Transaction, such as election of Board Members or changes to investment policies, in which case a portion of such costs will be borne by the applicable funds).
- The reputation, financial strength and resources of TIAA-CREF.
- The long-term investment philosophy of TIAA-CREF and anticipated plans to grow Nuveen's business to the benefit of the Nuveen funds.
- The benefits to the Nuveen funds as a result of the Transaction including: (i) increased resources and support available to Nuveen as well as an improved capital structure that may reinforce and enhance the quality and level of services it provides to the funds; (ii) potential additional distribution capabilities for the funds to access new markets and customer segments through TIAA-CREF's distribution network, including, in particular, its retirement platforms and institutional client base; and (iii) access to TIAA-CREF's expertise and investment

capabilities in additional asset classes.

G. Other Considerations

The Independent Board Members did not identify any single factor discussed previously as all-important or controlling. The Board Members, including the Independent Board Members, unanimously concluded that the terms of each Original Advisory Agreement and New Advisory Agreement are fair and reasonable, that the respective Fund Adviser's fees are reasonable in light of the services provided to each Fund and that the Original Advisory Agreements be renewed and the New Advisory Agreements be approved.

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## II. Approval of Interim Advisory Agreements

At the April Meeting, the Board Members, including the Independent Board Members, unanimously approved for each Fund an interim advisory agreement (the “Interim Investment Management Agreement”) between the respective Fund and the Adviser and an interim sub-advisory agreement (the “Interim Sub-Advisory Agreement”) between the Adviser and the Sub-Adviser. If necessary to assure continuity of advisory services, each respective Interim Investment Management Agreement and Interim Sub-Advisory Agreement will take effect upon the closing of the Transaction if shareholders have not yet approved the corresponding New Investment Management Agreement or New Sub-Advisory Agreement. The terms of each Interim Investment Management Agreement and Interim Sub-Advisory Agreement are substantially identical to those of the corresponding Original Investment Management Agreement and New Investment Management Agreement and the corresponding Original Sub-Advisory Agreement and New Sub-Advisory Agreement, respectively, except for certain term and fee escrow provisions. In light of the foregoing, the Board Members, including the Independent Board Members, unanimously determined that the scope and quality of services to be provided to the Funds under the respective Interim Investment Management Agreements and Interim Sub-Advisory Agreements are at least equivalent to the scope and quality of services provided under the applicable Original Investment Management Agreements and Original Sub-Advisory Agreements.

- i The Board recognized that the Adviser considered a fund to have outperformed or underperformed its benchmark if the fund’s performance was higher or lower than the performance of the benchmark by the following thresholds: for open-end funds (+/- 100 basis points for equity funds excluding index funds; +/- 30 basis points for tax exempt fixed income funds; +/- 40 basis points for taxable fixed income funds) and for closed-end funds (assuming 30% leverage) (+/- 130 basis points for equity funds excluding index funds; +/- 39 basis points for tax exempt funds and +/-52 basis points for taxable fixed income funds).

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Since 1898, financial advisors and their clients have relied on Nuveen Investments to provide dependable investment solutions through continued adherence to proven, long-term investing principles. Today, we offer a range of high quality equity and fixed-income solutions designed to be integral components of a well-diversified core portfolio.

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Nuveen Investments provides high-quality investment services designed to help secure the long-term goals of institutional and individual investors as well as the consultants and financial advisors who serve them. Nuveen Investments markets a wide range of specialized investment solutions which provide investors access to capabilities of its high-quality boutique investment affiliates—Nuveen Asset Management, Symphony Asset Management, NWQ Investment Management Company, Santa Barbara Asset Management, Tradewinds Global Investors, Winslow Capital Management and Gresham Investment Management. In total, Nuveen Investments managed approximately \$229 billion as of September 30, 2014.

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Find out how we can help you.

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Learn more about Nuveen Funds at: [www.nuveen.com/cef](http://www.nuveen.com/cef)

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ITEM 2. CODE OF ETHICS.

Not applicable to this filing.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable to this filing.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable to this filing.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable to this filing.

ITEM 6. SCHEDULE OF INVESTMENTS.

(a) See Portfolio of Investments in Item 1.

(b) Not applicable.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable to this filing.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable to this filing.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There have been no material changes to the procedures by which shareholders may recommend nominees to the registrant's Board implemented after the registrant last provided disclosure in response to this Item.

ITEM 11. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (17



CFR 240.13a-15(b) or 240.15d-15(b)).

- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

File the exhibits listed below as part of this Form.

- (a)(1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit: Not applicable to this filing.
- (a)(2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)) in the exact form set forth below: See Ex-99.CERT attached hereto.
- (a)(3) Any written solicitation to purchase securities under Rule 23c-1 under the 1940 Act (17 CFR 270.23c-1) sent or given during the period covered by the report by or on behalf of the registrant to 10 or more persons: Not applicable.
- (b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the 1940 Act (17 CFR 270.30a-2(b)); Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed "filed" for purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference: See Ex-99.906 CERT attached hereto.
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) Nuveen Build America Bond Fund

By (Signature and Title) /s/ Kevin J. McCarthy  
Kevin J. McCarthy  
Vice President and Secretary

Date: December 5, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Gifford R. Zimmerman  
Gifford R. Zimmerman  
Chief Administrative Officer  
(principal executive officer)

Date: December 5, 2014

By (Signature and Title) /s/ Stephen D. Foy  
Stephen D. Foy  
Vice President and Controller  
(principal financial officer)

Date: December 5, 2014