

NICHOLAS APPLGATE CONVERTIBLE & INCOME FUND

Form DEF 14A

June 17, 2010

**Table of Contents**

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549  
SCHEDULE 14A  
(Rule 14a-101)  
SCHEDULE 14A INFORMATION  
Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934 (Amendment No. )**

Filed by the Registrant ☐

Filed by a Party other than the Registrant ☐

Check the appropriate box:

- ☐ Preliminary Proxy Statement
- ☐ Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- ☐ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☐ Soliciting Material Under Rule 14a-12

**NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND ( NFJ )  
NICHOLAS-APPLGATE CONVERTIBLE & INCOME FUND ( NCV )  
NICHOLAS-APPLGATE CONVERTIBLE & INCOME FUND II ( NCZ )  
NICHOLAS-APPLGATE EQUITY & CONVERTIBLE INCOME FUND ( NIE )  
NICHOLAS-APPLGATE INTERNATIONAL & PREMIUM STRATEGY FUND ( NAI )  
PIMCO GLOBAL STOCKSPUS<sup>®</sup> & INCOME FUND ( PGP )  
PIMCO STRATEGIC GLOBAL GOVERNMENT FUND, INC. ( RCS )  
1345 Avenue of the Americas  
New York, New York 10105**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☐ No fee required.
- ☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- 4) Proposed maximum aggregate value of transaction:

- 5) Total fee paid:
    - o Fee paid previously with preliminary materials:
    - o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.
  - 1) Amount previously paid:
  - 2) Form, Schedule or Registration Statement No.:
  - 3) Filing Party:
  - 4) Date Filed:
-

**TABLE OF CONTENTS**

NOTICE OF JOINT ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON JULY 21, 2010  
c/o Allianz Global Investors Fund Management LLC 1345 Avenue of the Americas New York, New York  
10105

PROXY STATEMENT

FOR THE JOINT ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON JULY 21, 2010

INTRODUCTION

PROPOSAL: ELECTION OF TRUSTEES/DIRECTORS

Compensation Table

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**Table of Contents**

NOTICE OF JOINT ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON JULY 21, 2010

**c/o Allianz Global Investors Fund Management LLC  
1345 Avenue of the Americas  
New York, New York 10105**

To the Shareholders of NFJ Dividend, Interest & Premium Strategy Fund ( NFJ ), Nicholas-Applegate Convertible & Income Fund ( NCV ), Nicholas-Applegate Convertible & Income Fund II ( NCZ ), Nicholas-Applegate Equity & Convertible Income Fund ( NIE ), Nicholas-Applegate International & Premium Strategy Fund ( NAI ), PIMCO Global StocksPLUS® & Income Fund ( PGP ) and PIMCO Strategic Global Government Fund, Inc. ( RCS ) (each a Fund and, collectively, the Funds ):

Notice is hereby given that a Joint Annual Meeting of Shareholders (the Meeting ) of the Funds will be held at the offices of Allianz Global Investors Fund Management LLC ( AGIFM or the Manager ), at 1345 Avenue of the Americas, between West 54th and West 55th Streets, 49th Floor, New York, New York 10105, on Wednesday, July 21, 2010 at 10:30 A.M., Eastern Time, for NCV, NCZ, NIE and NAI, at 11:30 A.M., Eastern Time, for NFJ, and at 12:00 P.M., Eastern Time, for PGP and RCS, for the following purposes, which are more fully described in the accompanying Proxy Statement:

1. To elect Trustees/Directors of each Fund, each to hold office for the term indicated and until his or her successor shall have been elected and qualified; and
2. To transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

The Board of Trustees/Directors of each Fund has fixed the close of business on May 12, 2010 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Meeting or any adjournment or postponement thereof. The enclosed proxy is being solicited on behalf of the Board of Trustees/Directors of each Fund.

By order of the Board of Trustees/Directors of each Fund

Thomas J. Fuccillo  
Secretary

New York, New York  
June 18, 2010

**It is important that your shares be represented at the Meeting in person or by proxy, no matter how many shares you own. If you do not expect to attend the Meeting, please complete, date, sign and return the applicable enclosed proxy or proxies in the accompanying envelope, which requires no postage if mailed in the United States. Please mark and mail your proxy or proxies promptly in order to save the Funds any additional costs of further proxy solicitations and in order for the Meeting to be held as scheduled.**



**Table of Contents**

**NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND ( NFJ )  
NICHOLAS-APPLGATE CONVERTIBLE & INCOME FUND ( NCV )  
NICHOLAS-APPLGATE CONVERTIBLE & INCOME FUND II ( NCZ )  
NICHOLAS-APPLGATE EQUITY & CONVERTIBLE INCOME FUND ( NIE )  
NICHOLAS-APPLGATE INTERNATIONAL & PREMIUM STRATEGY FUND ( NAI )  
PIMCO GLOBAL STOCKSPUS® & INCOME FUND ( PGP )  
PIMCO STRATEGIC GLOBAL GOVERNMENT FUND, INC. ( RCS )  
c/o Allianz Global Investors Fund Management LLC  
1345 Avenue of the Americas  
New York, New York 10105**

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS  
FOR THE JOINT ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON JULY 21, 2010**

The 2010 Proxy Statement and the Annual Reports to Shareholders for the fiscal years ended January 31, 2010 for NFJ, NIE and RCS, February 28, 2010 for NAI, NCV and NCZ, and March 31, 2010 for PGP are also available at [www.allianzinvestors.com](http://www.allianzinvestors.com).

**PROXY STATEMENT**

**FOR THE JOINT ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON JULY 21, 2010**

**INTRODUCTION**

This Proxy Statement is furnished in connection with the solicitation by the Board of Trustees/Directors (the Board ) of the shareholders of NFJ Dividend, Interest & Premium Strategy Fund ( NFJ ), Nicholas-Applegate Convertible & Income Fund ( NCV ), Nicholas-Applegate Convertible & Income Fund II ( NCZ ), Nicholas-Applegate Equity & Convertible Income Fund ( NIE ), Nicholas-Applegate International & Premium Strategy Fund ( NAI ), PIMCO Global StocksPLUS® & Income Fund ( PGP ) and PIMCO Strategic Global Government Fund, Inc. ( RCS ) (each a Fund and, collectively, the Funds ) of proxies to be voted at the Joint Annual Meeting of Shareholders of the Funds and any adjournment(s) or postponement(s) thereof (the Meeting ). The Meeting will be held at the offices of Allianz Global Investors Fund Management LLC ( AGIFM or the Manager ), at 1345 Avenue of the Americas, between West 54th and West 55th Streets, 49th Floor, New York, New York 10105, on Wednesday, July 21, 2010 at 10:30 A.M., Eastern Time, for NCV, NCZ, NIE and NAI, at 11:30 A.M., Eastern Time, for NFJ, and at 12:00 P.M., Eastern Time, for PGP and RCS.

As previously announced by press release, effective on or about August 25, 2010, the portfolio management agreements pursuant to which (i) Nicholas-Applegate Capital Management LLC ( NACM ) serves as sub-adviser to NCV, NCZ, NIE, NAI and a portion of NFJ s portfolio and (ii) Oppenheimer Capital LLC ( OpCap ) serves as sub-adviser to a portion of NFJ s portfolio will each be novated from NACM or OpCap (as applicable) to Allianz Global Investors Capital LLC ( AGIC ), the indirect parent of NACM and OpCap, an affiliate of AGIFM (the Novations ). As a result of the Novations, AGIC, an investment adviser registered with the Securities and Exchange Commission, will replace NACM and OpCap as sub-adviser to the relevant Fund (or portion thereof). In connection with the Novations, the name of each Fund (except NFJ) will





**Table of Contents**

change, effective on or about August 25, 2010, as indicated in the following list (the New York Stock Exchange ticker symbols for each Fund will remain the same):

<b>Current Name</b>	<b>Ticker</b>	<b>New Fund Name</b>
Nicholas-Applegate Convertible & Income Fund	NCV	AGIC Convertible & Income Fund
Nicholas-Applegate Convertible & Income Fund II	NCZ	AGIC Convertible & Income Fund II
Nicholas-Applegate International & Premium Strategy Fund	NAI	AGIC International & Premium Strategy Fund
Nicholas-Applegate Equity & Convertible Income Fund	NIE	AGIC Equity & Convertible Income Fund
Nicholas-Applegate Global Equity & Convertible Income Fund	NGZ	AGIC Global Equity & Convertible Income Fund

The Novations of the portfolio management agreements will not result in any change in the investment objectives or strategies, portfolio management personnel or responsibilities or fees and expenses of any Fund.

The Notice of Joint Annual Meeting of Shareholders (the Notice ) this Proxy Statement and the enclosed proxy cards are first being sent to Shareholders on or about June 18, 2010.

The Meeting is scheduled as a joint meeting of the holders of common shares of each Fund (the Common Shareholders ) and preferred shares of NCV and NCZ (the Preferred Shareholders and, together with the Common Shareholders, the Shareholders ). The Shareholders of each Fund are expected to consider and vote on similar matters. Shareholders of each Fund will vote on the applicable proposal set forth herein (the Proposal ) and on any other matters that may arise for that Fund. An unfavorable vote on the Proposal by the Shareholders of one Fund will not affect the implementation of the Proposal by another Fund if the Proposal is approved by the Shareholders of such other Fund.

The Board of each Fund has fixed the close of business on May 12, 2010 as the record date (the Record Date ) for the determination of Shareholders of each Fund entitled to notice of, and to vote at, the Meeting, and any adjournment(s) or postponement(s) thereof. Shareholders of each Fund on the Record Date will be entitled to one vote per share on each matter to which they are entitled to vote and that is to be voted on by Shareholders of the Fund, and a fractional vote with respect to fractional shares, with no cumulative voting rights in the election of Trustees/Directors. The following table sets forth the number of shares of common stock ( Common Shares ) and shares of preferred stock ( Preferred Shares and, together with the Common Shares, the Shares ) issued and outstanding of each Fund at the close of business on the Record Date:

	<b>Outstanding Common Shares</b>	<b>Outstanding Preferred Shares</b>
NFJ	94,524,325	N/A
NCV	73,508,723	14,280
NCZ	60,950,686	10,960
NIE	22,304,189	N/A
NAI	9,873,169	N/A
PGP	10,028,073	N/A

RCS	39,135,270	N/A
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The classes of Shares listed for each Fund in the table above are the only classes of Shares currently authorized by that Fund.

At the Meeting, for those Funds having Preferred Shares outstanding (NCV and NCZ), the election of certain Trustees (the Preferred Shares Trustees ) will be voted on exclusively by the Preferred Shareholders of such Funds. On each other proposal to be brought before the meeting (including the election of the other nominees), such Preferred Shareholders will have equal voting rights (*i.e.*, one vote per Share) with such

**Table of Contents**

Fund's Common Shareholders and, will vote together with Common Shareholders as a single class. As summarized in the table below,

**NFJ:**

the Shareholders of NFJ, voting as a single class, have the right to vote on the re-election of Paul Belica, Hans W. Kertess, William B. Ogden, IV and R. Peter Sullivan III and the election of James A. Jacobson and Alan Rappaport as Trustees of NFJ;

**NCV:**

the Common and Preferred Shareholders of NCV, voting together as a single class, have the right to vote on the re-election of Hans W. Kertess and William B. Ogden, IV as Trustees of NCV;

the Preferred Shareholders of NCV, voting as a separate class, have the right to vote on the election of James A. Jacobson and Alan Rappaport as Preferred Shares Trustees of NCV;

**NCZ:**

the Common and Preferred Shareholders of NCZ, voting together as a single class, have the right to vote on the re-election of Paul Belica and William B. Ogden, IV as Trustees of NCZ;

the Preferred Shareholders of NCZ, voting as a separate class, have the right to vote on the election of James A. Jacobson and Alan Rappaport as a Preferred Shares Trustee of NCZ;

**NIE:**

the Shareholders of NIE, voting as a single class, have the right to vote on the re-election of Paul Belica and R. Peter Sullivan III and the election of James A. Jacobson and Alan Rappaport as Trustees of NIE;

**NAI:**

the Shareholders of NAI, voting as a single class, have the right to vote on the re-election of R. Peter Sullivan III and the election of James A. Jacobson and Alan Rappaport as Trustees of NAI;

**PGP:**

the Shareholders of PGP, voting as a single class, have the right to vote on the election of James A. Jacobson and Alan Rappaport and the re-election of R. Peter Sullivan III as Trustees of PGP; and

**RCS:**

the Shareholders of RCS, voting as a single class, have the right to vote on the election of James A. Jacobson and Alan Rappaport and the re-election of William B. Ogden, IV as Directors of RCS.

**Summary**

**Common**

**Preferred**

Proposal	Shareholders	Shareholders
<b>Election of Trustees/Directors</b>		
<b>NFJ</b>		
<i>Independent Trustees/Nominees*</i>		
Re-election of Paul Belica	ü	N/A
Election of James A. Jacobson	ü	N/A
Re-election of Hans W. Kertess	ü	N/A
Re-election of William B. Ogden, IV	ü	N/A
Re-election of R. Peter Sullivan III	ü	N/A
Election of Alan Rappaport	ü	N/A
<b>NCV</b>		
<i>Independent Trustees/Nominees*</i>		
Election of James A. Jacobson	N/A	ü
Re-election of Hans W. Kertess	ü	ü

**Table of Contents**

<b>Proposal</b>	<b>Common Shareholders</b>	<b>Preferred Shareholders</b>
Re-election of William B. Ogden, IV	ü	ü
Election of Alan Rappaport	N/A	ü
<b>NCZ</b>		
<i><b>Independent Trustees/Nominees*</b></i>		
Re-election of Paul Belica	ü	ü
Election of James A. Jacobson	N/A	ü
Re-election of William B. Ogden, IV	ü	ü
Election of Alan Rappaport	N/A	ü
<b>NIE</b>		
<i><b>Independent Trustees/Nominees*</b></i>		
Re-election of Paul Belica	ü	N/A
Election of James A. Jacobson	ü	N/A
Re-election of R. Peter Sullivan III	ü	N/A
Election of Alan Rappaport	ü	N/A
<b>NAI</b>		
<i><b>Independent Trustees/Nominees*</b></i>		
Election of James A. Jacobson	ü	N/A
Re-election of R. Peter Sullivan III	ü	N/A
Election of Alan Rappaport	ü	N/A
<b>PGP</b>		
<i><b>Independent Trustees/Nominees*</b></i>		
Election of James A. Jacobson	ü	N/A
Re-election of R. Peter Sullivan III	ü	N/A
Election of Alan Rappaport	ü	N/A
<b>RCS</b>		
<i><b>Independent Directors/Nominees*</b></i>		
Election of James A. Jacobson	ü	N/A
Re-election of William B. Ogden, IV	ü	N/A
Election of Alan Rappaport	ü	N/A

\* Independent Trustees/Directors or Independent Nominees are those Trustees/Directors or nominees who are not interested persons, as defined in the Investment Company Act of 1940, as amended (the "1940 Act"), of each Fund.

You may vote by mail by returning a properly executed proxy card, by Internet, by going to the website listed on the proxy card, by telephone using the toll-free number listed on the proxy card or in person by attending the Meeting. Shares represented by duly executed and timely delivered proxies will be voted as instructed on the proxy. If you execute and mail the enclosed proxy and no choice is indicated for the election of Trustees/Directors listed in the attached Notice, your proxy will be voted in favor of the election of all nominees. At any time before it has been voted, your proxy may be revoked in one of the following ways: (i) by delivering a signed, written letter of revocation to the Secretary of the appropriate Fund at 1345 Avenue of the Americas, New York, NY 10105, (ii) by properly executing and submitting a later-dated proxy vote, or (iii) by attending the Meeting and voting in person. If any proposal, other than the Proposal set forth herein, properly comes before the Meeting, including any adjournment thereof, the persons named as proxies will vote in their sole discretion.

The principal executive offices of the Funds are located at 1345 Avenue of the Americas, New York, New York 10105. AGIFM serves as the investment manager of each Fund and retains its affiliates, NFJ Investment Group LLC ( NFJ Group ) to serve as a sub-adviser to NFJ, Oppenheimer Capital LLC ( OpCap ) to serve as a sub-adviser to NFJ, Nicholas-Applegate Capital Management LLC ( NACM ) to serve as a sub-adviser to NFJ, NIE, NAI, NCV and NCZ, and Pacific Investment Management Company LLC ( PIMCO ), to serve as the sub-adviser to PGP and RCS. PIMCO, NFJ Group, OpCap and NACM are collectively referred to as the Sub-Advisers. As discussed above, effective on or about August 25, 2010, Allianz Global Investors Capital

**Table of Contents**

LLC ( AGIC ) will be substituted for NACM and OpCap pursuant to the Novations, with corresponding name changes of the relevant funds. Additional information regarding the Manager and the Sub-Advisers may be found under Additional Information Investment Manager and Sub-Advisers below.

The solicitation will be by mail primarily and the cost of soliciting proxies for a Fund will be borne individually by each Fund. Certain officers of the Funds and certain officers and employees of the Manager or its affiliates (none of whom will receive additional compensation therefore) may solicit proxies by telephone, mail, e-mail and personal interviews. Any out-of-pocket expenses incurred in connection with the solicitation will be borne by each Fund based on its relative net assets.

As of May 12, 2010, the Trustees/Directors and nominees and the officers of each Fund as a group and individually beneficially owned less than one percent (1%) of each Fund's outstanding Shares and, to the knowledge of the Funds, the following entities beneficially owned more than five percent (5%) of the Funds as indicated:

Beneficial Owner	Fund	Percentage of Ownership of Class
UBS AG	NCV	50.54% of Preferred Shares
UBS AG	NCZ	47.43% of Preferred Shares
First Trust Portfolios L.P.	NAI	14.1% of Common Shares
Claymore Securities Inc.	NAI	7.35% of Common Shares

**PROPOSAL: ELECTION OF TRUSTEES/DIRECTORS**

In accordance with RCS' Articles of Incorporation, as amended (the "Articles"), and with each of the other Funds Amended and Restated Agreement and Declaration of Trust (each a "Declaration"), the Trustees/Directors have been divided into the following three classes (each a "Class"): Class I, Class II and Class III. In December 2009, the Boards of all the Funds appointed James A. Jacobson to each Fund's Board to fill a vacancy resulting from the resignation of Diana L. Taylor as a Class I Director of RCS and a Class II Trustee of the other Funds. In December 2009, Mr. Jacobson was appointed by the Board to serve as a Preferred Shares Trustee of NCV and NCZ to fill a vacancy that resulted from the resignation of Ms. Taylor, who served as a Trustee elected by the Preferred Shareholders, voting as a separate class, of each of those Funds. In April 2010, the Boards of all the Funds appointed Alan Rappaport to the boards and to serve as a Preferred Shares Trustee of NCV and NCZ to fill a vacancy that resulted from the death of Robert E. Connor, to take effect June 22, 2010. Accordingly, the Nominating Committee has recommended Messrs. Jacobson and Rappaport for election by the Preferred Shareholders of NCV and NCZ, voting as a separate class, as Preferred Shares Trustees of those Funds, and has recommended Messrs. Jacobson and Rappaport for election by the Shareholders of NFJ, NIE, NAI, PGP and RCS as a Trustee or Director, as applicable, of those Funds. The Nominating Committee has recommended the other nominees listed herein for re-election by the Shareholders as Trustees/Directors to the Funds, as applicable.

**NFJ.** With respect to NFJ, the term of office of the Class II Trustees will expire at the Meeting; the term of office of the Class III Trustees will expire at the 2011 annual meeting of shareholders; and the term of office of the Class I Trustees will expire at the 2012 annual meeting of shareholders. Due to an administrative error in 2009, both the Class I and Class II Trustees of NFJ are being nominated for re-election (or for election with respect to Messrs. Jacobson and Rappaport) at the Meeting.

Currently, R. Peter Sullivan III is the Class II Trustee on the Board. The Nominating Committee has recommended to the Board that Mr. Sullivan be nominated for re-election and Messrs. Jacobson and Rappaport be nominated for election by Shareholders as a Class II and Class III Trustee, respectively, at the Meeting. Consistent with the Fund's

Declaration, if elected, the nominees shall hold office for term coinciding with the Class of Trustees to which they have been designated. Therefore, if elected at the Meeting, Messrs. Jacobson and Sullivan will serve a term consistent with the Class II Trustees, which will expire at the Fund's 2013 annual meeting. If elected at the Meeting, Mr. Rappaport will serve a term consistent with the Class III Trustees, which will expire at the Fund's 2011 annual meeting. If elected at the Meeting, Messrs. Belica,



**Table of Contents**

Kertess and Ogden will serve a term consistent with the Class I Trustees, which will expire at the Fund's 2012 annual meeting.

**NCV.** With respect to NCV, the term of office of the Class I Trustees will expire at the Meeting; the term of office of the Class II Trustees will expire at the 2011 annual meeting of shareholders; and the term of office of the Class III Trustees will expire at the 2012 annual meeting of shareholders. Currently, Hans W. Kertess and William B. Ogden, IV are Class I Trustees. The Nominating Committee has recommended to the Board that Messrs. Kertess and Ogden be nominated for re-election by the Common and Preferred Shareholders, voting as a single class, as Class I Trustees and Messrs. Jacobson and Rappaport be nominated for election by the Preferred Shareholders, voting as a separate class, as a Class II and Class I Preferred Shares Trustee, respectively, at the Meeting. Consistent with the Fund's Declaration, if elected, the nominees shall hold office for terms coinciding with the Classes of Trustees to which they have been designated. Therefore, if elected at the Meeting, Messrs. Kertess, Ogden and Rappaport will serve a term consistent with the Class I Trustees, which will expire at the Fund's 2013 annual meeting. If elected at the Meeting, Mr. Jacobson will serve a term consistent with the Class II Trustees, which will expire at the Fund's 2011 annual meeting.

**NCZ.** With respect to NCZ, the term of office of the Class I Trustees will expire at the Meeting; the term of office of the Class II Trustees will expire at the 2011 annual meeting of shareholders; and the term of office of the Class III Trustees will expire at the 2012 annual meeting of shareholders. Currently, Paul Belica and William B. Ogden, IV are Class I Trustees. The Nominating Committee has recommended to the Board that Messrs. Belica and Ogden be nominated for re-election by the Common and Preferred Shareholders, voting as a single class, as Class I Trustees and Messrs. Jacobson and Rappaport be nominated for election by the Preferred Shareholders, voting as a separate class, as a Class II and Class I Preferred Shares Trustee, respectively, at the Meeting. Consistent with the Fund's Declaration, if elected, the nominees shall hold office for terms coinciding with the Classes of Trustees to which they have been designated. Therefore, if elected at the Meeting, Messrs. Belica, Ogden and Rappaport will serve a term consistent with the Class I Trustees, which will expire at the Fund's 2013 annual meeting. If elected at the Meeting, Mr. Jacobson will serve a term consistent with the Class II Trustees, which will expire at the Fund's 2011 annual meeting.

**NIE.** With respect to NIE, the term of office of the Class III Trustees will expire at the Meeting; the term of office of the Class I Trustees will expire at the 2011 annual meeting of shareholders; and the term of office of the Class II Trustees will expire at the 2012 annual meeting of shareholders. Currently, Paul Belica and R. Peter Sullivan III are the Class III Trustees on the Board. The Nominating Committee has recommended to the Board that Messrs. Belica and Sullivan be nominated for re-election as Class III Trustees and Messrs. Jacobson and Rappaport be nominated for election by Shareholders as the Class II and Class I Trustee, respectively, at the Meeting. Consistent with the Fund's Declaration, if elected, the nominees shall hold office for term coinciding with the Class of Trustees to which they have been designated. Therefore, if elected at the Meeting, Messrs. Belica and Sullivan will serve a term consistent with the Class III Trustees, which will expire at the Fund's 2013 annual meeting. If elected at the Meeting, Mr. Jacobson will serve a term consistent with the Class II Trustees, which will expire at the Fund's 2012 annual meeting and if elected at the Meeting, Mr. Rappaport will serve a term consistent with the Class I Trustees, which will expire at the Fund's 2011 annual meeting.

**NAI.** With respect to NAI, the term of office of the Class II Trustees will expire at the Meeting; the term of office of the Class III Trustees will expire at the 2011 annual meeting of shareholders; and the term of office of the Class I Trustees will expire at the 2012 annual meeting of shareholders. Currently, R. Peter Sullivan III is the Class II Trustee on the Board. The Nominating Committee has recommended to the Board that Mr. Sullivan be nominated for re-election by Shareholders as a Class II Trustee and Messrs. Jacobson and Rappaport each be nominated for election by Shareholders as a Class II and Class III Trustee, respectively, at the Meeting. Consistent with the Fund's Declaration, if elected, the nominees shall hold office for the term coinciding with the Class of Trustees to which they have been designated. Therefore, if elected at the Meeting, Messrs. Jacobson and Sullivan will serve a term consistent

with the Class II Trustees, which will expire at the Fund's 2013 annual meeting. If elected at the Meeting, Mr. Rappaport will serve a term consistent with the Class III Trustees, which will expire at the Fund's 2011 annual meeting.

**Table of Contents**

**PGP.** With respect to PGP, the term of office of the Class II Trustees will expire at the Meeting; the term of office of the Class III Trustees will expire at the 2011 annual meeting of shareholders; and the term of office of the Class I Trustees will expire at the 2012 annual meeting of shareholders. Currently, R. Peter Sullivan III is the Class II Trustee on the Board. The Nominating Committee has recommended to the Board that Mr. Sullivan be nominated for re-election by Shareholders as a Class II Trustee and Messrs. Jacobson and Rappaport each be nominated for election by Shareholders as a Class II and Class III Trustee, respectively, at the Meeting. Consistent with the Fund's Declaration, if elected, the nominees shall hold office for term coinciding with the Class of Trustees to which they have been designated. Therefore, if elected at the Meeting, Messrs. Jacobson and Sullivan will serve a term consistent with the Class II Trustees, which will expire at the Fund's 2013 annual meeting. If elected at the Meeting, Mr. Rappaport will serve a term consistent with the Class III Trustees, which will expire at the Fund's 2011 annual meeting.

**RCS.** With respect to RCS, the term of office of the Class I Directors will expire at the Meeting; the term of office of the Class II Directors will expire at the 2011 annual meeting of shareholders; and the term of office of the Class III Directors will expire at the 2012 annual meeting of shareholders. Currently, William B. Ogden, IV is the Class I Director on the Board. The Nominating Committee has recommended to the Board that Mr. Ogden be nominated for re-election by Shareholders as a Class I Director and Messrs. Jacobson and Rappaport each be nominated for election by Shareholders as a Class I and Class III Director, respectively, at the Meeting. Consistent with the Fund's Articles, if elected, the nominees shall hold office for terms coinciding with the Classes of Directors to which they have been designated. Therefore, if elected at the Meeting, Messrs. Jacobson and Ogden will serve a term consistent with the Class I Directors, which will expire at the Fund's 2013 annual meeting, and Mr. Rappaport will serve a term consistent with the Class III Directors, which will expire at the Fund's 2012 annual meeting.

All members of each Board of NCV, NCZ, NFJ, NIE, NAI and PGP are and will remain, if elected, Continuing Trustees, as such term is defined in the Declarations of those Funds, having either served as Trustee since the inception of the Funds or having been nominated by at least a majority of the Continuing Trustees then members of the Boards.

At any annual meeting of shareholders, any Trustee/Director elected to fill a vacancy that has arisen since the preceding annual meeting of shareholders (whether or not such vacancy has been filled by election of a new Trustee/Director by the Board) shall hold office for a term that coincides with the remaining term of the Class of Trustees/Directors to which such office was previously assigned, if such vacancy arose other than by an increase in the number of Trustees/Directors, and until his or her successor shall be elected and shall qualify. In the event such vacancy arose due to an increase in the number of Trustees/Directors, any Trustee/Director so elected to fill such vacancy at an annual meeting shall hold office for a term which coincides with that of the Class of Trustee/Director to which such office has been apportioned and until his or her successor shall be elected and shall qualify.

The following table summarizes the nominees who will stand for election at the Meeting, the respective Classes of Trustees/Directors to which they have been designated and the expiration of their respective terms if elected:

<b>Trustee/Director/Nominee</b>	<b>Class</b>	<b>Expiration of Term if Elected*</b>
<b>NFJ</b>		
Paul Belica	Class I	2012 Annual Meeting
Hans W. Kertess	Class I	2012 Annual Meeting
William B. Ogden, IV	Class I	2012 Annual Meeting
James A. Jacobson	Class II	2013 Annual Meeting
R. Peter Sullivan III	Class II	2013 Annual Meeting

Alan Rappaport

**NCV**

Hans W. Kertess

William B. Ogden, IV

Class III

2011 Annual Meeting

Class I

2013 Annual Meeting

Class I

2013 Annual Meeting

**Table of Contents**

<b>Trustee/Director/Nominee</b>	<b>Class</b>	<b>Expiration of Term if Elected*</b>
Alan Rappaport	Class I	2013 Annual Meeting
James A. Jacobson	Class II	2011 Annual Meeting
<b>NCZ</b>		
Paul Belica	Class I	2013 Annual Meeting
William B. Ogden, IV	Class I	2013 Annual Meeting
Alan Rappaport	Class I	2013 Annual Meeting
James A. Jacobson	Class II	2011 Annual Meeting
<b>NIE</b>		
Alan Rappaport	Class I	2011 Annual Meeting
James A. Jacobson	Class II	2012 Annual Meeting
Paul Belica	Class III	2013 Annual Meeting
R. Peter Sullivan III	Class III	2013 Annual Meeting
<b>NAI</b>		
James A. Jacobson	Class II	2013 Annual Meeting
R. Peter Sullivan III	Class II	2013 Annual Meeting
Alan Rappaport	Class III	2011 Annual Meeting
<b>PGP</b>		
James A. Jacobson	Class II	2013 Annual Meeting
R. Peter Sullivan III	Class II	2013 Annual Meeting
Alan Rappaport	Class III	2011 Annual Meeting
<b>RCS</b>		
James A. Jacobson	Class I	2013 Annual Meeting
William B. Ogden, IV	Class I	2013 Annual Meeting
Alan Rappaport	Class III	2012 Annual Meeting

\* A Trustee of NFJ, NCV, NCZ, NIE, NAI and PGP elected at an annual meeting shall hold office until the annual meeting for the year in which his or her term expires and until his or her successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office. A Director of RCS elected at an annual meeting shall hold office until his or her successor is elected and qualified.

Under this classified Board structure, generally only those Trustees/Directors in a single Class may be replaced in any one year, and it would require a minimum of two years to change a majority of the Board under normal circumstances. This structure, which may be regarded as an anti-takeover provision, may make it more difficult for a Fund's Shareholders to change the majority of Trustees/Directors of the Fund and, thus, promotes the continuity of management.

Unless authority is withheld, it is the intention of the persons named in the enclosed proxy for a Fund to vote each proxy for the persons listed above for that Fund. Each of the nominees has indicated he or she will serve if elected, but if he or she should be unable to serve for a Fund, the proxy holders may vote in favor of such substitute nominee as the Board may designate (or, alternatively, the Board may determine to leave a vacancy).

**Trustees/Directors and Officers**

The business of each Fund is managed under the direction of the Fund's Board of Trustees/Directors. Subject to the provisions of the Fund's Declaration/Articles, its By-Laws and applicable state law, the Trustees/Directors have all

powers necessary and convenient to carry out this responsibility, including the election and removal of the Fund's officers.

## Table of Contents

**Board Leadership Structure** If the nominees are elected as proposed, the Board of Trustees/Directors of each Fund will consist of seven Trustees/Directors, six of whom are not interested persons (within the meaning of Section 2(a)(19) of the 1940 Act) of the Fund or of the Manager (the Independent Trustees/Directors). An Independent Trustee/Director serves as Chairman and is selected by vote of the majority of the Independent Trustees/Directors. The Chairman presides at meetings of the Board and acts as a liaison with service providers, officers, attorneys and other Trustees/Directors generally between meetings, and performs such other functions as may be requested by the Board from time to time.

The Board of Trustees/Directors meets regularly four times each year to discuss and consider matters concerning the Funds, and also holds special meetings to address matters arising between regular meetings. The Independent Trustees/Directors regularly meet outside the presence of management and are advised by independent legal counsel. Regular meetings generally take place in-person; other meetings may take place in-person or by telephone.

The Board of Trustees/Directors has established four standing Committees to facilitate oversight of the management of the Funds: the Audit Oversight Committee, the Nominating Committee, the Valuation Committee and the Compensation Committee. The functions and role of each Committee are described below under Committees of the Board of Trustees/Directors. The membership of each Committee consists of all of the Independent Trustees/Directors, which the Board believes allows them to participate in the full range of the Board's oversight duties.

The Board reviews its leadership structure periodically and has determined that this leadership structure, including an Independent Chairman, a supermajority of Independent Trustees/Directors and Committee membership limited to Independent Trustees/Directors, is appropriate in light of the characteristics and circumstances of each Fund. In reaching this conclusion, the Board considered, among other things, the predominant role of the Manager and Sub-Advisers in the day-to-day management of Fund affairs, the extent to which the work of the Board is conducted through the Committees, the number of portfolios that comprise the Fund Complex (defined below), the variety of asset classes those portfolios include, the net assets of each Fund, and the Fund Complex and the management and other service arrangements of each Fund and the Fund Complex. The Board also believes that its structure, including the presence of one Trustee/Director who is an executive with various Manager-affiliated entities, facilitates an efficient flow of information concerning the management of each Fund to the Independent Trustees/Directors.

**Risk Oversight** Each of the Funds has retained the Manager and the applicable Sub-Adviser to provide investment advisory services, and, in the case of the Manager, to oversee the Fund's business affairs and administrative matters, and these service providers are principally responsible for the management of risks that may arise from Fund investments and operations. Some employees of the Manager serve as the Funds' officers, including the Trust's principal executive officer and principal financial and accounting officer. The Board oversees the performance of these functions by the Manager and Sub-Advisers, both directly and through the Committee structure it has established. The Board receives from the Manager and Sub-Advisers a wide range of reports, both on a regular and as-needed basis, relating to the Funds' activities and to the actual and potential risks of the Funds and the Trust as a whole. These include reports on investment risks, compliance with applicable laws, and the Funds' financial accounting and reporting. In addition, the Board meets periodically with the individual portfolio managers of the Funds to receive reports regarding the portfolio management of the Funds and their performance, including their investment risks.

In addition, the Board has appointed a Chief Compliance Officer (CCO). The CCO oversees the development of compliance policies and procedures that are reasonably designed to minimize the risk of violations of the federal securities laws (Compliance Policies). The CCO reports directly to the Independent Trustees/Directors, and provides presentations to the Board at its quarterly meetings and an annual report on the application of the Compliance Policies. The Board periodically discusses relevant risks affecting the Funds with the CCO at these meetings. The Board has

approved the Compliance Policies and reviews the CCO's reports. Further, the Board annually reviews the sufficiency of the Compliance Policies, as well as the appointment and compensation of the CCO.



**Table of Contents****Information Regarding Trustees/Directors and Nominees.**

The following table provides information concerning the Trustees/Directors /Nominees of the Funds.

<b>Name, Address*, Date of Birth and Class</b>	<b>Position(s) Held with the Funds</b>	<b>Term of Office and Length of Time Served</b>	<b>Principal Occupation(s) During the Past 5 Years</b>	<b>Number of Portfolios in Fund Complex Overseen by Trustee/ Director Nominee</b>	<b>Other Directorships Held by Trustee/ Director Nominee</b>
<b>Independent Trustees/Directors/Nominees</b>					
Paul Belica 09/27/1921					
NCV    Class III	Trustee				
NCZ    Class I	Nominee, Trustee				
NFJ    Class I	Nominee, Trustee				
NIE    Class III	Nominee, Trustee				
NAI    Class I	Trustee				
PGP    Class I	Trustee				
RCS    Class III					