

TRANSAX INTERNATIONAL LTD  
Form 10-K  
April 15, 2011

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

Form 10-K

Mark One

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2010

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No. 0-27845

TRANSAX INTERNATIONAL LIMITED  
(Name of small business issuer in its charter)

Colorado  
(State or other jurisdiction of incorporation  
or organization)

90-0287423  
(I.R.S. Employer Identification No.)

1133 S. University Drive, Suite 210  
Plantation, Florida 33324  
(Address of principal executive offices)

(888) 317-6984  
(Issuer's telephone number)

| Securities registered pursuant to Section 12(b) of the Act: | Name of each exchange on which registered: |
|---|--|
| None  | Not applicable                             |

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, \$0.00001  
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.  Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.  Yes  No

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company:

|                         |                          |                           |                                     |
|-------------------------|--------------------------|---------------------------|-------------------------------------|
| Large accelerated filer | <input type="checkbox"/> | Accelerated filer         | <input type="checkbox"/>            |
| Non-accelerated filer   | <input type="checkbox"/> | Smaller reporting company | <input checked="" type="checkbox"/> |

(Do not check if smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes  No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked prices of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter. \$95,802 on June 30, 2010.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date. 96,078,960 shares of common stock are issued and outstanding as of April 14, 2011.

DOCUMENTS INCORPORATED BY REFERENCE

List hereunder the following documents if incorporated by reference and the Part of the Form 10-K (e.g., Part I, Part II, etc.) into which the document is incorporated: (1) Any annual report to security holders; (2) Any proxy or information statement; and (3) Any prospectus filed pursuant to Rule 424(b) or (c) under the Securities Act of 1933. The listed documents should be clearly described for identification purposes (e.g., annual report to security holders for fiscal year ended December 24, 1980). None.

---

TRANSAX INTERNATIONAL LIMITED  
FORM 10-K  
TABLE OF CONTENTS

|                 |   | Page No. |
|-----------------|---|----------|
| <b>Part I</b>   |   |          |
| Item 1.         | Business.   | 2        |
| Item 1A.        | Risk Factors.   | 8        |
| Item 1B.        | Unresolved Staff Comments.  | 14       |
| Item 2.         | Properties.   | 14       |
| Item 3.         | Legal Proceedings.  | 14       |
| Item 4.         | (Removed and Reserved)  | 15       |
| <b>Part II</b>  |   |          |
| Item 5.         | Market for Registrant's Common Equity, Related<br>Stockholder Matters and Issuer Purchases of Equity<br>Securities. | 15       |
| Item 6.         | Selected Financial Data.  | 18       |
| Item 7.         | Management's Discussion and Analysis of Financial<br>Condition and Results of Operation.                            | 18       |
| Item 7A.        | Quantitative and Qualitative Disclosures About Market<br>Risk.  | 25       |
| Item 8.         | Financial Statements and Supplementary Data.  | 25       |
| Item 9.         | Changes In and Disagreements With Accountants on<br>Accounting and Financial Disclosure.                            | 26       |
| Item 9A.        | Controls and Procedures.  | 26       |
| Item 9B.        | Other Information.  | 27       |
| <b>Part III</b> |   |          |
| Item 10.        | Directors, Executive Officers and Corporate Governance.   | 28       |
| Item 11.        | Executive Compensation.   | 30       |
| Item 12.        | Security Ownership of Certain Beneficial Owners and<br>Management and Related Stockholder Matters.                  | 32       |
| Item 13.        | Certain Relationships and Related Transactions, and<br>Director Independence.                                       | 33       |
| Item 14.        | Principal Accountant Fees and Services.   | 34       |
| <b>Part IV</b>  |   |          |
| Item 15.        | Exhibits, Financial Statement Schedules.  | 34       |

### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this annual report contain or may contain forward-looking statements that are subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements were based on various factors and were derived utilizing numerous assumptions and other factors that could cause our actual results to differ materially from those in the forward-looking statements. These factors include, but are not limited to, our ability to raise sufficient capital to fund our ongoing operations and satisfy our obligations as they become due, our ability to implement our strategic initiatives, economic, political and market conditions and fluctuations, government and industry regulation, interest rate risk, U.S. and global competition, and other factors. Most of these factors are difficult to predict accurately and are generally beyond our control. You should consider the areas of risk described in connection with any forward-looking statements that may be made herein. Readers are cautioned not to place undue reliance on these forward-looking statements and readers should carefully review this annual report in its entirety, including the risks described in Part I. Item 1A. Risk Factors. Except for our ongoing obligations to disclose material information under the Federal securities laws, we undertake no obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events. These forward-looking statements speak only as of the date of this annual report, and you should not rely on these statements without also considering the risks and uncertainties associated with these statements and our business.

### OTHER PERTINENT INFORMATION

When used in this annual report, the terms "Transax," "we," "our," and "us" or the "Company" refers to Transax International Limited, a Colorado corporation and its wholly-owned subsidiaries.

## PART I

### ITEM 1. DESCRIPTION OF BUSINESS

Through April 4, 2011, we were an international provider of information network solutions, products and services specifically designed for the healthcare providers and health insurance companies (collectively, the "Health Information Management Products").

As outlined below, on April 4, 2011, we sold 100% of our interest in our operating subsidiary. Accordingly, as April 4, 2011, we are seeking to exploit certain intellectual property and software license Agreements that we retained for business outside of Brazil or acquire, through a merger or similar transaction, an operating business.

#### ORGANIZATION

Transax International Limited ("TNSX" or the "Company") was incorporated in the State of Colorado in 1987. The Company currently trades on the OTCQB market under the symbol "TNSX" and the Frankfurt and Berlin Stock Exchanges under the symbol "TX6". Prior to April 4, 2011, the Company, through its subsidiary, Medlink Conectividade em Saude Ltda ("Medlink Conectividade") was an international provider of information network solutions specifically designed for healthcare providers and health insurance companies. The Company's MedLink Solution enables the real time automation of routine patient eligibility, verification, authorizations, claims processing and payment functions.

On March 26, 2008, we executed a stock purchase and option agreement (the "Agreement") with Engetech, Inc., a Turks & Caicos corporation (the "Buyer") controlled and owned 20% by Americo de Castro, director and President of Medlink Conectividade, and 80% by Flavio Gonzalez Duarte or assignees. In accordance with the terms and provisions of the Agreement, we sold to the Buyer 45% of the total issued and outstanding stock of our wholly-owned subsidiary, Transax Limited, which owns one hundred percent of the total issued and outstanding shares of: (i) Medlink Conectividade, and (ii) Medlink Technologies, Inc., ("Medlink") a Mauritius corporation. However, the Buyer defaulted on payments and on November 24, 2010, pursuant to an agreement, the Buyer returned the 45 shares of Transax Limited held in escrow and forfeited its initial deposit of \$937,700 in full and complete satisfaction of any amounts due to us.

On April 4, 2011, pursuant to a Quota Purchase and Sale Agreement amongst Transax Limited, QC Holding I Participacoes S.A., a corporation organized under the laws of Brazil ("QC Holding"), and Medlink Conectividade, we sold 100% of our interest in Medlink Conectividade. As such all related operations have been retroactively presented as discontinued operations for all periods presented and related operating assets and liabilities have been classified as assets from discontinued operations and liabilities from discontinued operations, respectively for all periods presented.

In accordance with the terms and provisions of the Agreement: (i) QC Holding acquired the equity interest of Medlink Conectividade resulting in the sale of our operating subsidiary. As consideration for the purchase and sale of 100% of our interest in Medlink Conectividade, QC paid to us approximately \$298,000; (ii) QC Holding agreed to assume all debt and other contingent liabilities of Medlink Conectividade, which as of December 31, 2010 was approximately \$7,800,000 including \$5,300,000 in past taxes and social security contributions due to the Brazil Government; and (iii) QC contributed to Medlink Conectividade approximately \$1,402,000 which will be used to repay us approximately \$1,402,000 in loans and interest due to our subsidiary, Transax Limited, which owned 100% of Medlink Conectividade. In accordance with the further terms and provisions of the Agreement, we retained our relevant technology assets consisting of software code and the Postilion network processor software to carry on business outside of Brazil.



Our board of directors considered the sale of Medlink Conectividade to be in the best interests of the Company and its shareholders. Factors considered included (i) the high levels of debt in Medlink Conectividade, (ii) its continuing net operating losses and (iii) reports from Brazil counsel to Medlink Conectividade indicating that immediate tax and social security payments were due to the Brazilian Government of over \$1,000,000.

Subsequent to April 4, 2011, we will have no revenues and limited operations consisting of financial reporting, administration and seeking new business opportunities or a merger candidate and further development of the Company's remaining Intellectual Property especially its HIPAA product developed for the USA market and license agreements

## SUBSIDIARIES

### Transax Limited

Transax Limited was incorporated under the laws of Colorado on December 13, 2001 and is a holding company that currently owns 100% of Medlink Technologies, Inc..

### Medlink Technologies, Inc.

Medlink Technologies, Inc. was incorporated under the laws of Mauritius on January 17, 2003, and is our 100%-owned subsidiary. Medlink is a holding company that owns the intellectual property developed by us and a number of third party software licenses.

### Medlink Conectividade Em Saude Ltda.

Medlink Conectividade was incorporated under the laws of Brazil on May 2, 1998. Medlink Conectividade assists us in providing information network solutions, products and services within Brazil. Through Medlink Conectividade, we provide Health Information Management Products within Brazil. We generated all of our revenues through Medlink Conectividade for the years ended December 31, 2010 and 2009. We sold 100% of our interest in Medlink Conectividade on April 4, 2011.

## GENERAL

As of the date of this Annual Report we are an international provider of Health Information Management Products, which are specifically designed for the healthcare providers and health insurance companies. We are dedicated to improving healthcare delivery by providing to hospitals, physician practices and health insurance companies innovative health information management systems to assist in the coding, compliance, abstracting and recording of management's processes.

Currently, we are provider of health information management network solutions for the healthcare providers and health insurance companies, enabling the real time automation of routine patient transactions. We believe that our unique combination of complimentary solutions is designed to significantly improve the recording and processing of healthcare data transactions. Our Health Information Management Products and software solutions are designed to generate operational efficiencies, improve cash flow and measure the cost and quality of care. In general, the Health Information Management Products and software solutions, including the MedLink Solution, fall into four (4) main areas: (i) compliance management; (ii) coding and reimbursement management; (iii) abstracting; and (iv) record management.





We believe that hospitals and other healthcare providers must implement comprehensive coding and compliance programs in order to minimize payer submission errors and assure the receipt of anticipated revenues. We believe that an effective program should include clear, defined guidelines and procedures, which combined with our Health Information Management Products, will enhance an organization's system and effectively increase revenues and reduce costs. Our Health Information Management Products include compliance management and coding and reimbursement products and software, which are designed to conduct automated prospective and retrospective reviews of all in-patient and out-patient claims data. Management tools include internally designed targets aimed to provide data quality, coding accuracy and appropriate reimbursement.

These tools work in conjunction with an organization's coding and billing compliance program to:

- (i) identify claims with potential errors prior to billing;
- (ii) screen professional fees and services; and
- (iii) identify patterns in coding and physician documentation.

Results of the auditing and monitoring activities are represented in executive reports summarizing clinical and financial results as well as detailed reports providing information needed to target specific areas for review. Billing practices for health care services are under close scrutiny by governmental agencies as high-risk areas for Medicare fraud and abuse. We believe that the Health Information Management Products will increase an organization's progress in reducing improper payments and ensuring that medical record documentation support services are provided.

The Health Information Management Products are also designed to:

- include abstracting solutions, which enable healthcare facilities to accurately collect and report patient demographic and clinical information.
- provide the organization with the ability to calculate in-patient and out-patient hospital reimbursements and customize data fields needed for state, federal or foreign governmental regulatory requirements. Standard and custom reports will provide the customer with the ability to generate facility-specific statistical reports used for benchmarking, outcomes and performance improvement, marketing and planning.
- provide healthcare organizations the flexibility to customize abstracting workflow to meet data collection reporting and analysis needs.
- provide the organization with the ability to customize workflow by creating fields and rules and designing screen navigation.
- provide record management, which will automate the record tracking and location functions, monitor record completeness and facilitate the release of information process within health information management departments.
- assist healthcare organizations in properly completing records pursuant to state, federal, foreign governmental and medical staff requirements. The management tools are designed to monitor a facility's adherence to patient privacy, disclosure and patient bill of rights requirements, if applicable.

#### MEDLINK SOLUTION/MEDLINK WEB SOLUTION

We have developed a proprietary software named the "MedLink Solution", which was specifically designed and developed for the healthcare and health insurance industries enabling the real time automation of routine patient eligibility, verifications, authorizations, claims processing and payment functions that are currently performed manually. A transaction fee is charged to the insurer for use of the MedLink Solution. The MedLink Solution hosts its own network processing system, whereby we are able to provide an insurer with the ability to cost effectively process all of the transactions generated regardless of location or method of generation.



An initial version of MedLink Solution that is Health Insurance Portability and Accountability Act ("HIPAA") compliant for the USA market was previously developed in-house by our professional staff using the Microsoft.NET platform (the "MedLink Web Solution"). Our MedLink Web Solution offers all functionalities already available in our other capture solutions, but in an Internet-based application that can be accessed by providers through a standard Internet browser. The MedLink Web Solution allows providers to capture medical and dental exams, procedures, therapies, visits, laboratory tests and doctor referrals without complicated software conversion, utilizing an existing Internet connection. MedLink Web Solution contains a number of important security procedures following international standards, utilizing an intrusion detection system and SSL security to encrypt transactions. Additional security features are available at the application level to individual users.

We believe that the MedLink Solution and the MedLink Web Solution solves technological and communication problems within the healthcare systems by creating a virtual "paperless office" for the insurer and total connectivity, regardless of method, for the health provider. The MedLink Solution replaces manual medical claims systems and provides insurance companies and healthcare providers significant savings through a substantial reduction in operational costs. The MedLink Solution allows users to collect, authorize and process transaction information in real-time for applications including, but not limited to, patient and provider eligibility verification, procedure authorization and claims and debit processing. Participants of the MedLink Solution include private health insurance companies, group medical companies, and healthcare providers.

#### MEDLINK SOLUTION ARCHITECTURE AND DESIGN

We believe that the MedLink Solution is the total connectivity system that allows hospitals, clinics, medical specialists and other healthcare providers to easily capture, route, and authorize medical, hospital, and dental claims in "real time". The MedLink Solution addresses pre-existing technological and communication problems by creating a universal virtual link between the insurer and the care provider.

The MedLink Solution's architecture and design is as follows: (i) seven capture methods; (ii) a network processor; and (iii) an authorizer.

**CAPTURE METHODS.** The MedLink Solution is tailored to the specific care provider's environment and needs usage based upon its technological resources, physical installation and volume of claims. The MedLink Solution offers seven different methods to capture data. The health care provider can select which of these seven methods best suit its operational needs and technological abilities. Regardless of the capture method chosen, transactions are seamless and efficient. The MedLink Solution's capture methods are:

- o MedLink Solution POS Terminal;
- o MedLink Solution PC Windows;
- o MedLink Solution PC Net;
- o MedLink Solution Server Labs;
- o MedLink Solution Web.

**NETWORK PROCESSOR.** The MedLink Solution network processor routes the transactions captured by the MedLink Solution (the "Network Processor") to the authorization system of the healthcare plan (the "Authorization System"). The Network Processor offers uninterrupted twenty-four (24) hour, seven days a week operation and service.

**AUTHORIZATION SYSTEM.** The Authorization System's software is composed of a control module and a group of storage procedures that validate the specific rules of the health plan or insurer. It is responsible for: (i) receiving and decoding the messages sent by the Network Processor, containing the solicitations of the MedLink Solution installed at the provider; (ii) identification of the kind of the message (claim, refund, settlement, etc) and of the service provider; (iii) validation or denial of the transaction; (iv) updating the historical database of the claims; and (v) replying to the request by sending a message to the Network Processor.

## PRODUCT TARGET MARKET STRATEGY

### Market Strategy

Our key marketing strategy has been to position ourselves as a market leader in providing total information management network processing solutions for the healthcare industry worldwide. We believe that our Health Information Management Products encompass a variety of solutions for healthcare provider locations, a complete network processing service for the health insurance companies, and in-house software and systems development to address specific and unique customer requirements, and the ability to operate the systems through a variety of communication methods.

The promotional and marketing strategy is based on creating a proactive "push pull" effect on the demand for the Health Information Management Products and services within the healthcare industry. We have been focusing on the promotion and marketing of our products to the Brazilian healthcare providers and insurance companies by demonstrating: (i) the benefits of the MedLink Solution application and services; (ii) real-time cash visibility; (iii) nominal to no capital investment; (iv) the established Network Processor facility; (v) custom software development support; and (vi) option of immediate payment of outstanding claims.

We believe that this commonly used marketing and promotional model will be suitable and used for market penetration. In addition we attend a number of conferences and trade shows in Brazil on an annual basis to "show case" our products. International marketing and promotional strategies will be developed and adapted on a country-to-country basis to meet different market environments and governmental requirements, build business and political relationships, and obtain domestic media exposure and high visibility within the local healthcare industry to establish credibility.

### Product Target Market

We have identified two initial target markets for our products. They are: (i) healthcare providers, such as physicians, clinics, hospitals, laboratories, diagnosis centers, emergency centers, etc.; and (ii) health insurance and group medicine companies.

We believe that there is a significant global market opportunity for our Healthcare Information Management Products and services and software technology.

## STRATEGIC ALLIANCES

We have developed key strategic alliances with the following technology providers to support the MedLink Solution's unique system architecture and design.

### S1 Corporation - Network Processor System

On November 25, 2002, we entered into a supplier agreement with S1 Corporation of Atlanta Georgia, formerly Mosaic Software, Inc. ("S1"), to develop the Network Processor software package, known as the "Postilion", for use in the MedLink Solution. We believe that S1 is the supplier of the most modern technology for network control software, based on a low cost hardware platform (PC's) and Windows NT software. Management believes the Position software is the most cost effective solution for this kind of system. We own the current license and undertake optional maintenance payments to S1 on a quarterly basis to receive software updates and access to support.

### RESEARCH AND DEVELOPMENT

Currently we have an alliance with a US based Health Care Software Consulting company who have been involved in developing our product for the USA market.

### COMPETITION

The information network solutions market for healthcare providers and health insurance companies is characterized by rapidly evolving technology and intense competition. Many companies of all sizes, including a number of large technology companies, such as IBM, Siemens, and EDS, as well as several specialized healthcare information management companies, are developing similar products and services. There may be products on the market that do or will compete directly with the products and services that we have developed and are seeking to develop. These companies may also compete with us in recruiting qualified personnel. Many of our potential competitors have substantially greater financial, research and development, human and other resources than we do.

Furthermore, larger companies may have significantly more experience than we do in developing such products and services. Such competitors may: (i) develop more efficient and effective products and services; (ii) obtain patent protection or intellectual property rights that may limit our ability to commercialize our products or services; or (iii) commercialize products and services earlier than we do.

We expect technology developments in the healthcare information management and technology industry to continue to occur at a rapid pace. Commercial developments by any competitors may render some or all of our potential products or services obsolete or non-competitive, which could materially harm our business and financial condition.

We believe, however, that our Health Management Information Products and related services and solutions for the healthcare providers and health insurance companies represent a unique approach and has certain competitive advantages as follows:

- i) the MedLink Solution significantly reduces medical administrative procedures and costs through connecting in real time, individual healthcare provider locations to health insurance companies;
- ii) irrespective of the choice of connectivity or the method of transmission, MedLink provides a secure and reliable service where healthcare providers can automatically verify patient eligibility, receive authorization for the performance of approved medical procedures and process a paperless claim electronically with each insurance provider it interacts with, provided they are subscribed to the network;
- iii) once connected to the network, MedLink Solution provides numerous benefits to doctors and private health insurance companies including the automation of their paper-based clerical duties; and
- iv) by using MedLink Solution, many of these cumbersome tasks can be processed electronically in seconds, virtually eliminating processing costs, paperwork, and the high risks associated with fraud.



## GOVERNMENT REGULATION

As of the date of this Annual Report, none of our software products or services are regulated by the U.S. Department of Health. However, there is substantial state and federal regulation of the confidentiality of patient medical records and the circumstances under which such records may be used, disclosed to or processed by us as a consequence of our contacts with various healthcare providers and health insurance companies. Although compliance with these laws and regulations is presently the principal responsibility of covered entities, including hospitals, physicians or other healthcare providers, regulations governing patient confidentiality rights are rapidly evolving.

Additional federal and state legislation governing the dissemination of medical record information may be adopted which could have a material effect on our business. Those laws, including HIPAA and ICD 10 implementation, may significantly affect our future business and materially impact our product and service development, revenue and working capital. During the past several years, the healthcare industry also has been subject to increasing levels of governmental regulation of, among other things, reimbursement rates and certain capital expenditures. We are unable to predict what, if any, changes will occur as a result of such regulation.

## INTELLECTUAL PROPERTY, PATENTS AND TRADEMARKS

Patents and other proprietary rights are vital to our business operations. Our policy is to seek appropriate copyright and patent protection both in the United States and abroad for our proprietary technologies and products. We have acquired the license to certain intellectual property as follows:

- (i) Source code for all of the MedLink Solutions, source nodes and Network processor source code.

Through intellectual property attorneys in the United States, we have been advised not to apply for copyright protection for our products but possibly to seek a process patent at a future date.

## EMPLOYEES

As of April 15, 2011, our only employees are part time and are our officers, Mr. Stephen Walters and Mr. Adam Wasserman. We do not anticipate hiring additional employees until our operations resume and expand to such a degree that necessitates hiring auxiliary staff. None of our employees is represented by a labor union and we consider our relationships with our employees to be good.

## ITEM 1A. RISK FACTORS

You should carefully consider the risks described below together with all of the other information included in this report before making an investment decision with regard to our securities. The statements contained in or incorporated into this annual report that are not historic facts are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by forward-looking statements. If any of the following risks actually occurs, our business, financial condition or results of operations could be harmed. In that case, the trading price of our common stock could decline, and you may lose all or part of your investment.

## RISKS RELATING TO OUR BUSINESS

We have been the subject of a going concern opinion from our independent registered public accounting firm, which means that we may not be able to continue operations unless we obtain additional funding for our current and future working capital needs.

Our financial statements have been subject to a "going concern" opinion by our independent registered public accounting firm for fiscal years ended December 31, 2010 and 2009. Management believes that we will need additional working capital to be implement a business plan, exploit certain intellectual property and to maintain ongoing financial reporting as a public company and for administration of our operation and, therefore, our continuation as a going concern is dependent upon obtaining the additional working capital necessary to accomplish our objectives. Our inability to obtain adequate financing may result in the need to discontinue business operations and you could lose your entire investment. Our consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Management anticipates that we will incur net losses for the immediate future, and expects our operating expenses to decrease. We will need to generate new business and revenues if we are to continue as a going concern, or obtain financing. To the extent that we do not generate sufficient revenues or obtain funding, that our stock price does not increase, or we are unable to adjust operating expense levels accordingly, we may not have the ability to continue on as a going concern.

We will require additional fund and future access to capital is uncertain and we may have to delay, reduce or eliminate our business operations.

It is expensive to develop and commercialize Health Information Management Products. We do not have capital to conduct research and development, which is costly. Our product development efforts may not lead to new commercial products, either because our products fail to be found effective or because we lack the necessary financial or other resources or relationships to pursue commercialization. Our capital and future revenues may not be sufficient to support the expenses of our business operations and the development of commercial infrastructure. We may need to raise additional capital to: (i) fund operations; (ii) conduct research and development of Health Information Management Products; and (iii) commercialize our products.

The inability to protect our intellectual property could lead to unauthorized use of our products.

We rely on a combination of trade secrets, copyright and trademark laws, nondisclosure, non-compete and other contractual provisions to protect our proprietary rights. Measures taken by us to protect our intellectual property may not be adequate, and any competitors could independently develop products and services that are substantially equivalent or superior to our products and services. Any infringement or misappropriation of our proprietary software could put us at a competitive disadvantage in a highly competitive market and could cause us to incur substantial litigation expense, and divert management's attention from other operations. Intellectual property litigation is increasingly common in the software industry.

Therefore, the risk of an infringement claim against us may increase over time as the number of competitors in the industry segment grows and the functionality of products overlaps. Third parties could assess infringement claims against us in the future. Regardless of the merits, we could incur substantial litigation expenses in defending any such asserted claim. In the event of an unfavorable ruling on any such claim, such an infringement may result in significant monetary liabilities that could have a material adverse effect on the business.



In the event of an unfavorable ruling on any such claim, a license or similar agreement may also not be available to use on reasonable terms, if at all. We may not be successful in the defense of these or similar claims.

Failure to retain key personnel could impede our ability to commercialize our products, maintain the license agreement or obtain sources of funds.

We depend to a significant extent on the efforts of Mr. Stephen Walters, our President, Chief Executive Officer and director. The development of Health Information Management Products requires expertise from a number of different disciplines, some of which are not widely available. The quality and reputation of our research and development personnel, including our executive officers, and their success in performing their responsibilities, may directly influence our success. In addition, Mr. Walters is involved in a broad range of critical activities, including providing strategic and operational guidance. The loss of Mr. Walters or our inability to retain or recruit other key management and research and development personnel may delay or prevent us from achieving our business objectives. We face intense competition for personnel from other companies, public and private research institutions, government entities and other organizations. In addition, we do not maintain any key man life insurance policies on Mr. Walters.

If we fail to maintain the adequacy of our internal controls, our ability to provide accurate financial statements and comply with the requirements of the Sarbanes-Oxley Act of 2002 could be impaired, which could cause our stock price to decrease substantially.

We have committed limited personnel and resources to the development of the external reporting and compliance obligations that would be required of a public company. We will need to continue to improve our financial and managerial controls, reporting systems and procedures, and documentation thereof. If our financial and managerial controls, reporting systems or procedures fail, we may not be able to provide accurate financial statements on a timely basis or comply with the Sarbanes-Oxley Act of 2002 as it applies to us. Any failure of our internal controls or our ability to provide accurate financial statements could cause the trading price of our common stock to decrease substantially.

#### RISKS RELATED TO OUR COMMON STOCK

Market volatility may affect our stock price and the value of a shareholder's investment in our common stock may be subject to sudden decreases.

The trading price for our shares of common stock has been, and we expect it to continue to be, volatile. The price at which our common stock trades depends on a number of factors, including the following, many of which are beyond our control:

- (i) historical and anticipated operating results, including fluctuations in financial and operating results;
- (ii) general market and economic conditions;
- (iii) changes in government regulations affecting product approvals, reimbursement or other aspects of our and/or competitors' businesses;
- (iv) announcements of technological innovations or new commercial products by us or our competitors;
- (v) developments concerning our contractual relations with our executive officers, executive management and intellectual property rights; and
- (vi) announcements regarding significant collaborations or strategic alliances.
- (vii) the implementation of our business plan.

In addition, the stock market has from time to time experienced extreme price and volume fluctuations. These broad market fluctuations may lower the market price of our common stock and affect the volume of trading in the stock. During periods of stock market price volatility, share prices of many health information management network solution companies have often fluctuated in a manner not necessarily related to their individual operating performance. Accordingly, our common stock may be subject to greater price volatility than the stock market as a whole. See "Item

5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities."

10

---

Future sales by our stockholders may adversely affect our stock price and our ability to raise funds in new stock offerings along with increasing our number of common shares authorized.

Sales of our common stock in the public market could lower the market price of our common stock. Sales may also make it more difficult for us to sell equity securities or equity-related securities in the future at a time and price that our management deems acceptable or at all. Of the 96,078,960 shares of common stock outstanding as of the date of this Annual Report, 48,695,175 shares are freely tradable without restriction. The remaining 47,383,785 shares of common stock held by existing stockholders, including the officers and directors, are "restricted securities" and may be resold in the public market only if registered or pursuant to an exemption from registration. Some of these shares may be resold under Rule 144. In addition, as of December 31, 2010, if exercised or converted, we may issue up to 5,000,000 shares of common stock underlying the warrants, up to 1,025,000 shares underlying stock options, over one billion shares underlying our Series A Preferred stock, and up to 1,400,000 shares of common stock upon conversion of related party debt. Currently, we only have 100,000,000 common shares authorized and we may be required to increase the number of common shares authorized by the Company or otherwise modify our capital structure.

There are a large number of shares underlying our Series A Preferred Stock that may be available for future sale and the sale of these shares may depress the market price of our common stock.

As of the date of this Annual Report, we have 96,078,960 shares of common stock issued and outstanding and 14,190 shares of our Series A Preferred stock issued and outstanding. In addition, the number of shares of common stock issuable upon conversion of the outstanding Series A Preferred stock may increase if the market price of our stock declines. All of the shares, including all of the shares issuable upon conversion of the Series A Preferred Shares, may be sold without restriction. Currently, we have 100,000,000 common shares authorized and 96,078,960 shares issued and outstanding as of the date of this Annual Report. Accordingly, we do not have sufficient authorized common shares to convert the Series A preferred stock. We may need to seek shareholder approval to increase our authorized shares or to seek to effectuate a reverse split. The sale of these shares may adversely affect the market price of our common stock.

The continuously adjustable conversion price feature of our Series A Preferred Stock could require us to issue a substantially greater number of shares, which will cause dilution to our existing shareholders.

The number of shares of common stock issuable upon conversion of our Series A Preferred Stock will increase if the market price of our common stock declines, which will cause dilution to our existing stockholders. Our obligation to issue shares upon conversion of our Series A Preferred Stock is essentially limitless if the trading price per common share declines towards zero as the number of Series A Preferred Stock convertible into common stock is based on the trading price per common share.

The continuously adjustable conversion price feature of our Series A Preferred Stock may encourage investors to make short sales in our common stock, which could reduce the price of our common stock.

The shares of Series A Preferred Stock are convertible into common stock at any time by dividing the dollar amount being converted by the lower of \$0.192 or eighty percent (80%) of the lowest daily volume weighted average of our common stock, as determined by price quotations from Bloomberg, LP, during the ten (10) trading days immediately preceding the date of conversion.

The significant downward pressure on the price of the common stock as the selling stockholder converts and sell material amounts of common stock could encourage short sales by investors. This could place further downward pressure on the price of the common stock. In addition, not only the sale of shares issued upon conversion of preferred stock, but also the mere perception that these sales could occur, may adversely affect the market price of the common

stock.

11

---

The holder of the Series A Preferred Stock has the option of converting the principal outstanding into shares of our common stock. If the holder converts additional shares of Series A Preferred Stock, there will be dilution of your shares of our common stock. We do not have enough authorized shares to convert all of the outstanding Series A Preferred Stock.

The conversion of the Series A Preferred Stock will result in dilution to the interests of other holders of our common stock since the holders may ultimately convert the full amount of the Series A Preferred Stock and sell all of these shares into the public market. Additionally, we do not have enough authorized shares to convert all of the outstanding Series A Preferred Stock. Currently, we have 100,000,000 common shares authorized and 96,078,960 shares issued and outstanding as of the date of this Annual Report. We may need to seek shareholder approval to increase our authorized shares or to seek to effectuate a reverse split.

The following table sets forth the number and percentage of shares of our common stock that would be issuable if the holders of the shares of Series A Preferred Stock converted at conversion prices of \$0.05, \$0.03, \$0.01 and \$0.005 (the conversion price shall be equal to the lesser of (i) \$0.192 or (ii) eighty percent (80%) of the lowest daily volume weighted average price ("VWAP") of the common stock during the ten (10) Trading Days immediately preceding the date of conversion):

| CONVERSION PRICE | NUMBER OF SHARES             |   |
|------------------|------------------------------|---|
|                  | ISSUABLE<br>ON CONVERSION(1) | PERCENTAGE OF ISSUED<br>AND OUTSTANDING (2) |
| \$ 0.05          | 28,380,000                   | 22.80 %                                     |
| \$ 0.03          | 47,300,000                   | 32.99 %                                     |
| \$ 0.01          | 141,900,000                  | 59.63 %                                     |
| \$ 0.005         | 283,800,000                  | 74.71 %                                     |
| \$ 0.001         | 1,419,000,000                | 93.66 %                                     |

(1) Represents the number of shares issuable if 14,190 shares of Series A Preferred Stock were converted at the corresponding conversion price.

(2) Represents the percentage of the total outstanding common stock that the shares issuable on conversion of the shares of Series A Preferred Stock without regard to any contractual or other restriction on the number of securities the stockholder may own at any point in time and based on 96,078,960 shares issued and outstanding as of the date of this Annual Report.

Our common stock is subject to the "penny stock" rules of the Securities and Exchange Commission and the trading market in our securities is limited, which makes transactions in our stock cumbersome and may reduce the value of an investment in our stock.

The Securities and Exchange Commission has adopted Rule 15g-9 which establishes the definition of a "penny stock", for the purposes relevant to us, as any equity security that has a market price of less than \$5.00 per share or with an exercise price of less than \$5.00 per share, subject to certain exceptions. For any transaction involving a penny stock, unless exempt, the rules require: (i) that a broker or dealer approve a person's account for transactions in penny stocks; and (ii) the broker or dealer receive from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased.

In order to approve a person's account for transactions in penny stocks, the broker or dealer must: (i) obtain financial information and investment experience objectives of the person; and (ii) make a reasonable determination that the transactions in penny stocks are suitable for that person and the person has sufficient knowledge and experience in

financial matters to be capable of evaluating the risks of transactions in penny stocks.

The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prescribed by the SEC relating to the penny stock market, which, in highlight form: (i) sets forth the basis on which the broker or dealer made the suitability determination; and (ii) that the broker or dealer received a signed, written agreement from the investor prior to the transaction.

Generally, brokers may be less willing to execute transactions in securities subject to the "penny stock" rules. This may make it more difficult for investors to dispose of our common stock and cause a decline in the market value of our stock.

Disclosure also has to be made about the risks of investing in penny stocks in both public offerings and in secondary trading and about the commissions payable to both the broker-dealer and the registered representative, current quotations for the securities and the rights and remedies available to an investor in cases of fraud in penny stock transactions. Finally, monthly statements have to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks.

We may not be able to meet the internal control reporting requirements imposed by the SEC resulting in a possible decline in the price of our ordinary shares and our inability to obtain future financing.

As directed by Section 404 of the Sarbanes-Oxley Act, the SEC adopted rules requiring each public company to include a report of management on the company's internal controls over financial reporting in its annual reports. Although the Dodd-Frank Wall Street Reform and Consumer Protection Act exempts companies with a public float of less than \$75 million from the requirement that our independent registered public accounting firm attest to our financial controls, this exemption does not affect the requirement that we include a report of management on our internal control over financial reporting and does not affect the requirement to include the independent registered public accounting firm's attestation if our public float exceeds \$75 million.

While we need to expend significant resources in developing the necessary documentation and testing procedures required by Section 404 of the Sarbanes-Oxley Act, there is a risk that we may not be able to comply timely with all of the requirements imposed by this rule. Regardless of whether we are required to receive a positive attestation from our independent registered public accounting firm with respect to our internal controls, if we are unable to do so, investors and others may lose confidence in the reliability of our financial statements and our stock price and ability to obtain equity or debt financing as needed could suffer.

In addition, in the event that our independent registered public accounting firm is unable to rely on our internal controls in connection with its audit of our financial statements, and in the further event that it is unable to devise alternative procedures in order to satisfy itself as to the material accuracy of our financial statements and related disclosures, it is possible that we would be unable to file our Annual Report on Form 10-K with the SEC, which could also adversely affect the market for and the market price of our ordinary shares and our ability to secure additional financing as needed.

The trading price of our common stock on the Over the Counter Pink Sheet Market has been and may continue to fluctuate significantly and stockholders may have difficulty reselling their shares.

During 2010, our common stock has traded as low as \$0.0012 and as high as \$0.008. In addition to volatility associated with Bulletin Board and Pink Sheet securities in general, the value of your investment could decline due to the impact of any of the following factors upon the market price of our common stock: (i) changes in the world wide price for oil or natural gas; (ii) our inability to implement a business plan; (iii) failure to meet our revenue or profit goals or operating budget; (iv) decline in demand for our common stock; (v) downward revisions in securities analysts' estimates or changes in general market conditions; (vi) lack of funding generated for operations; (viii) investor



perception of our industry or our prospects; and (vii) general economic trends.

In addition, stock markets have experienced price and volume fluctuations and the market prices of securities have been highly volatile. These fluctuations are often unrelated to operating performance and may adversely affect the market price of our common stock. As a result, investors may be unable to sell their shares at a fair price and you may lose all or part of your investment.

A majority of our directors and officers are outside the United States. Therefore, it may be difficult for investors within the United States to enforce any judgments obtained against us or any of our directors or officers.

A majority of our directors and officers are nationals and/or residents of countries other than the United States, and all or a substantial portion of such persons' assets are located outside the United States. As a result, it may be difficult for investors to effect service of process on our directors or officers, or enforce within the United States any judgments obtained against us or our officers or directors, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof. Consequently, you may be effectively prevented from pursuing remedies under U.S. federal securities laws against them. In addition, investors may not be able to commence an action in a foreign court predicated upon the civil liability provisions of the securities laws of the United States. The foregoing risks also apply to those experts identified in this prospectus that are not residents of the United States.

Colorado law and our articles of incorporation may protect our directors from certain types of lawsuits.

Colorado law provides that our officers and directors will not be liable to us or our stockholders for monetary damages for all but certain types of conduct as officers and directors. Our Bylaws permit us broad indemnification powers to all persons against all damages incurred in connection with our business to the fullest extent provided or allowed by law. The exculpation provisions may have the effect of preventing stockholders from recovering damages against our officers and directors caused by their negligence, poor judgment or other circumstances. The indemnification provisions may require us to use our limited assets to defend our officers and directors against claims, including claims arising out of their negligence, poor judgment, or other circumstances.

We do not anticipate paying any cash dividends.

We presently do not anticipate that we will pay any dividends on any of our capital stock in the foreseeable future. The payment of dividends, if any, would be contingent upon our revenues and earnings, if any, capital requirements, and general financial condition. The payment of any dividends is within the discretion of our Board of Directors. We presently intend to retain all earnings, if any, to implement our business plan; accordingly, we do not anticipate the declaration of any dividends in the foreseeable future.

#### ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

#### ITEM 2. DESCRIPTION OF PROPERTIES

We do not own or lease any real estate or other properties.

#### ITEM 3. LEGAL PROCEEDINGS

Our Brazilian subsidiary, Medlink Conectividade, is involved litigation pertaining to a previous provider of consultancy services regarding "breach of contract" and two labor law suits involving employees for "unfair dismissal" claims. At December 31, 2010, we have accrued approximately \$272,000 related to these lawsuits. The outcome of these claims is uncertain at this time.

As of April 10, 2011, other than certain litigation of our recently sold subsidiary, Medlink Conectividade, pertaining to a previous provider of consultancy services regarding “breach of contract” and two labor law suits involving employees for “unfair dismissal” claims, we are not aware of any legal proceedings contemplated by any governmental authority or other party involving us or our subsidiaries or our intellectual properties. None of our directors, officers or affiliates is: (i) a party adverse to us in any legal proceedings; or (ii) has an adverse interest to us in any legal proceedings. We are not aware of any other legal proceedings pending or that have been threatened against us, our subsidiaries or our properties.

ITEM 4. (REMOVED AND RESERVED)

## PART II

### ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

#### Market For Common Equity

Through December 3, 2009, shares of our common stock are traded on the Over-the-Counter Bulletin Board under the symbol "TNSX.OB". On November 24, 2009, we received notice from the Financial Industry Regulatory Authority (“FINRA”) that our common stock would be removed from trading on the OTCBB effective December 3, 2009. We were informed that pursuant to FINRA Rule 6350(e) we had been delinquent in our reporting obligations for a third time in twenty four months, and therefore would be removed from the OTCBB at the open of trade on December 3, 2009. Effective December 3, 2009, our common stock has been traded on the Over the Counter Pink Sheet Market. The market for our common stock is limited, and can be volatile. The following table sets forth, for the periods indicated, the reported high and low closing bid quotations for our common stock by calendar quarters during 2009 and 2010 and the first quarter of 2011 as quoted on NASDAQ.com. These quotations reflect inter-dealer prices without retail mark-up, mark-down, or commissions, and may not reflect actual transactions.

|                | 2009      |          | 2010      |          | 2011      |           |
|----------------|-----------|----------|-----------|----------|-----------|-----------|
|                | Low       | High     | Low       | High     | Low       | High      |
| First quarter  | \$ 0.0005 | \$ 0.002 | \$ 0.0012 | \$ 0.007 | \$ 0.0016 | \$ 0.0029 |
| Second quarter | 0.0005    | 0.0033   | 0.0013    | 0.008    |           |           |
| Third quarter  | 0.0012    | 0.0070   | 0.0018    | 0.0028   |           |           |
| Fourth quarter | 0.0013    | 0.0069   | 0.0014    | 0.0033   |           |           |

On April 8, 2011, the last sale price of our common stock as reported on the NASDAQ.com was \$0.002.

#### Shareholders

As of the date of this Annual Report, we have approximately 178 shareholders of record, which does not include shareholders whose shares are held in street or nominee names. We believe that there are approximately 800 beneficial owners of our common stock.

#### Transfer Agent

The transfer agent for the common stock is Transfer Online, Inc.. The transfer agent’s address is 512 SE Salmon Street, Portland, OR 07214, and its telephone number is (503) 227-2950.



## Dividend Policy

No dividends have ever been declared by the Board of Directors on our common stock. Our losses do not currently indicate the ability to pay any cash dividends, and we do not indicate the intention of paying cash dividends either on our common stock in the foreseeable future. There are no restrictions in our articles of incorporation or by-laws that prevent us from declaring dividends. The Nevada Revised Statutes, however, do prohibit us from declaring dividends where, after giving effect to the distribution of the dividend, we would not be able to pay our debts as they become due in the usual course of business or our total assets would be less than the sum of our total liabilities plus the amount that would be needed to satisfy the rights of stockholders who have preferential rights superior to those receiving the distribution.

## Securities Authorized For Issuance Under Compensation Plans

We have one equity compensation plan, the Transax International Limited Stock Option Plan (the "Stock Option Plan"). The table set forth below presents the securities authorized for issuance with respect to the Stock Option Plan under which equity securities are authorized for issuance as of December 31, 2010:

| Plan category                      | Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) | Weighted average exercise price of outstanding options, warrants and rights (b) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c) |
|------------------------------------|---|---|---|
| Plans approved by shareholders:    |   |   |   |
| 2004 Incentive Stock Option Plan   | 1,025,000   | \$ 0.10   | 2,851,120   |
| Plans not approved by shareholders |   |   |   |
| Warrants                           | 5,000,000   | \$ 0.25   | n/a   |

## Stock Option Plan

On July 22, 2003, our Board of Directors unanimously approved and adopted a stock option plan, and during fiscal year 2004, our Board of Directors unanimously approved and adopted a 2004 incentive stock option plan (collectively, the "Stock Option Plan"). The purpose of the Stock Option Plan is to advance our interests and those of our shareholders by affording our key personnel an opportunity for investment and the incentive advantages inherent in stock ownership. Pursuant to the provisions of the Stock Option Plan, stock options (the "Stock Options") will be granted only to our key personnel, generally defined as a person designated by our Board of Directors upon whose judgment, initiative and efforts we may rely including any of our directors, officers, employees or consultants. The Stock Option Plan provides authorization to our Board of Directors to grant Stock Options to purchase a total number of shares of our common stock not to exceed 4,500,000 shares and, in accordance with the provisions of the 2004 incentive stock option plan, an additional 2,500,000 shares for an aggregate of 7,000,000 shares.

The Stock Option Plan is to be administered by our Board of Directors, which shall determine (i) the persons to be granted Stock Options under the Stock Option Plan; (ii) the number of shares subject to each option, the exercise price of each Stock Option; and (iii) whether the Stock Option shall be exercisable at any time during the option period of

ten (10) years or whether the Stock Option shall be exercisable in installments or by vesting only. At the time a Stock Option is granted under the Stock Option Plan, our Board of Directors shall fix and determine the exercise price at which shares of our common stock may be acquired; provided, however, that any such exercise price shall not be less than that permitted under the rules and policies of any stock exchange or over-the-counter market which are applicable.

In the event an optionee who is one of our directors or officers ceases to serve in that position, any Stock Option held by such optionee generally may be exercisable within up to ninety (90) calendar days after the effective date that his position ceases, and after such 90-day period any unexercised Stock Option shall expire. In the event an optionee who is one of our employees or consultants ceases to be employed by us, any Stock Option held by such optionee generally may be exercisable within up to sixty (60) calendar days (or up to thirty (30) calendar days where the optionee provided only investor relations services to us) after the effective date that his employment ceases, and after such 60- or 30-day period any unexercised Stock Option shall expire.

No Stock Options granted under the Stock Option Plan will be transferable by the optionee, and each Stock Option will be exercisable during the lifetime of the optionee subject to the option period of ten (10) years or limitations described above. Any Stock Option held by an optionee at the time of his death may be exercised by his estate within one (1) year of his death or such longer period as our Board of Directors may determine.

Unless restricted by the option agreement, the exercise price shall be paid by any of the following methods or any combination of the following methods: (i) in cash; (ii) by cashier's check, certified check, or other acceptable banker's note payable to us; (iii) by net exercise notice whereby the option holder will authorize the return to the Stock Option Plan pool, and deduction from the option holder's Stock Option, of sufficient Stock Option shares whose net value (fair value less option exercise price) is sufficient to pay the option price of the shares exercise (the fair value of the shares of the Stock Option to be returned to the pool as payment will be determined by the closing price of our shares of common stock on the date notice is delivered); (iv) by delivery to us of a properly executed notice of exercise together with irrevocable instructions (referred to in the industry as 'delivery against payment') to a broker to deliver to us promptly the amount of the proceeds of the sale of all or a portion of the stock or of a loan from the broker to the option holder necessary to pay the exercise price; or (v) such other method as the option holder and our Board of Directors may determine as adequate including delivery of acceptable securities (including our securities), set-off for wages or invoices due, property, or other adequate value. In the discretion of our Board of Director, we may grant a loan or guarantee a third-party loan obtained by an option holder to pay part of all of the exercise option price of the shares provided that such loan or our guaranty is secured by the shares of common stock.

#### Incentive Stock Options

The Stock Option Plan further provides that, subject to the provisions of the Stock Option Plan and prior shareholder approval, our Board of Directors may grant to any one of our key personnel who is an employee eligible to receive options one or more incentive stock options to purchase the number of shares of common stock allotted by our Board of Directors (the "Incentive Stock Options").

The option price per share of common stock deliverable upon the exercise of an Incentive Stock Option shall be no less than fair market value of a share of common stock on the date of grant of the Incentive Stock Option. In accordance with the terms of the Stock Option Plan, "fair market value" of the Incentive Stock Option as of any date shall not be less than the closing price for the shares common stock on the last trading day preceding the date of grant.

The option term of each Incentive Stock Option shall be determined by our Board of Directors, which shall not commence sooner than from the date of grant and shall terminate no later than ten (10) years from the date of grant of the Incentive Stock Option, subject to possible early termination as described above.

#### Stock Options Granted and Exercised

As of the date of this Annual Report, there are an aggregate of 1,025,000 Stock Options granted and outstanding.





### Common Stock Purchase Warrants

As of the date of this Annual Report, there are an aggregate of 5,000,000 common stock purchase warrants issued and outstanding.

### Recent Sales of Unregistered Securities

During 2010, the Company issued 8,676,871 shares of its common stock upon conversion of 220 shares of Series A preferred stock.

The shares were issued pursuant to an exemption from registration under Section 4(2) of the 1933 Securities Act.

### ITEM 6. SELECTED FINANCIAL DATA

As a smaller reporting company, we are not required to provide the information called for by Item 6 of Form 10-K.

### ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The summarized consolidated financial data set forth in the tables below and discussed in this section should be read in conjunction with our consolidated financial statements and related notes for fiscal years ended December 31, 2010 and 2009, which financial statements are included elsewhere in this Annual Report.

### OVERVIEW

On April 4, 2011, pursuant to a Quota Purchase and Sale Agreement amongst Transax Limited, QC Holding I Participacoes S.A., a corporation organized under the laws of Brazil ("QC Holding"), and Medlink Conectividade, we sold 100% of our interest in Medlink Conectividade. As such all related operations have been retroactively presented as discontinued operations for all periods presented and related operating assets and liabilities have been classified as assets from discontinued operations and liabilities from discontinued operations, respectively for all periods presented.

In accordance with the terms and provisions of the Agreement: (i) QC Holding acquired the equity interest of Medlink Conectividade resulting in the sale of our operating subsidiary. As consideration for the purchase and sale of 100% of our interest in Medlink Conectividade, in April 2011, QC paid to us approximately \$298,000; (ii) QC Holding agreed to assume all debt and other contingent liabilities of Medlink Conectividade, which as of December 31, 2010 was approximately \$7,800,000 including \$5,300,000 in past taxes and social security contributions due to the Brazil Government; and (iii) QC contributed to Medlink Conectividade approximately \$1,402,000 which was used to pay us approximately \$1,402,000 in loans and interest due to Transax Limited by Medlink Conectividade. In accordance with the further terms and provisions of the Agreement, we retained our relevant technology assets consisting of software code and the Postilion network processor program to carry on business outside of Brazil.

Our board of directors considered the sale of Medlink Conectividade to be in the best interests of the Company and its shareholders. Factors considered included (i) the high levels of debt in Medlink Conectividade, (ii) its continuing net losses and (iii) reports from Brazil counsel to Medlink Conectividade indicating that immediate tax and social security payments were due to the Brazilian Government of over \$1,000,000.

Subsequent to April 4, 2011, we will have no revenues and limited operations consisting of financial report, administration and seeking new business opportunities or a merger candidate.



## CRITICAL ACCOUNTING POLICIES

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. We continually evaluate our estimates, including those related to bad debts, recovery of long-lived assets, income taxes, the change in fair value of our derivatives, and the valuation of equity transactions. We base our estimates on historical experience and on various other assumptions that we believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Any future changes to these estimates and assumptions could cause a material change to our reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions. We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of the financial statements

We review the carrying value of property and equipment for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets is measured by the comparison of its carrying amount to the undiscounted cash flows that the asset or asset group is expected to generate. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the property, if any, exceeds its fair market value.

Revenue Recognition - Our revenues, which do not require any significant production, modification or customization for the Company's targeted customers and do not have multiple elements, is recognized when (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) the Company's fee is fixed and determinable, and; (4) collectability is probable.

Substantially all of our revenues was derived from the processing of applications by healthcare providers for approval of patients for healthcare services from insurance carriers. Our software or hardware devices containing our software are installed at the healthcare provider's location. We offer transaction services to authorize and adjudicate identity of the patient and obtain "real time" approval for any necessary medical procedure from the insurance carrier. Our transaction-based solutions provide remote access for healthcare providers to connect with contracted insurance carriers. Transaction services are provided through contracts with insurance carriers and others, which specify the services to be utilized and the markets to be served. Our clients are charged for these services on a per transaction basis. Pricing varies depending on the type of transactions being processed under the terms of the contract for which services are provided. Transaction revenues are recognized in the period in which the transactions are performed.

## RESULTS OF OPERATION

YEAR ENDED DECEMBER 31, 2010 COMPARED TO YEAR ENDED DECEMBER 31, 2009

|   | For the Year Ended<br>December 31, |                       |
|---|------------------------------------|-----------------------|
|   | 2010                               | 2009                  |
| REVENUES  | \$ -                               | \$ -                  |
| <b>OPERATING EXPENSES</b>                             |                                    |                       |
| Professional fees                                     | 67,658                             | 57,406                |
| Management and consulting fees – related parties      | 252,240                            | 273,214               |
| General and administrative                            | 18,254                             | 35,866                |
| <b>TOTAL OPERATING EXPENSES</b>                       | <b>338,152</b>                     | <b>368,486</b>        |
| <b>LOSS FROM CONTINUING OPERATIONS</b>                | <b>(338,152 )</b>                  | <b>(368,486 )</b>     |
| <b>OTHER (EXPENSES) INCOME</b>                        |                                    |                       |
| Foreign exchange loss                                 | 16,728                             | (9,327 )              |
| Gain (loss) from derivative liabilities               | 142,524                            | (343,259 )            |
| Gain from forfeiture of deposit on sale of subsidiary | 937,700                            | -                     |
| Interest expense –related parties                     | (58,710 )                          | (44,917 )             |
| Total Other Income (Expenses)                         | 1,038,242                          | (397,503 )            |
| <b>INCOME (LOSS) BEFORE DISCONTINUED OPERATIONS</b>   | <b>700,090</b>                     | <b>(765,989 )</b>     |
| <b>LOSS FROM DISCONTINUED OPERATIONS</b>              | <b>(2,794,865)</b>                 | <b>(2,036,362)</b>    |
| <b>NET LOSS</b>                                       | <b>(2,094,775)</b>                 | <b>(2,802,351)</b>    |
| <b>OTHER COMPREHENSIVE LOSS</b>                       |                                    |                       |
| Unrealized foreign currency translation loss          | (532,601 )                         | (481,025 )            |
| <b>COMPREHENSIVE LOSS</b>                             | <b>\$ (2,627,376)</b>              | <b>\$ (3,283,376)</b> |

Our net loss for the year ended December 31, 2010 was \$2,094,775 compared to \$2,802,351 for the year ended December 31, 2009 (a decrease of \$707,576 or 25.3%).

## Operating Expenses

During the year ended December 31, 2010, we incurred operating expenses in the aggregate amount of \$338,152 as compared to \$368,486 incurred during the year ended December 31, 2009 (a decrease of \$30,334 or 8.2%). The decrease in operating expenses incurred during the year ended December 31, 2010 compared to the year ended December 31, 2009 resulted from: (i) a decrease of \$20,974 or 7.7% in management and consulting fees-related parties due to a decrease in use of certain management needed to handle our operations, and (ii) a decrease of \$17,612 or 49.1% in general and administrative expenses primarily resulting from a decrease in operating costs due to cost cutting measures. These decreases were offset by an increase of \$8,252 or 13.9% in the amount of professional fees incurred including an increase in auditing fees of \$4,000.



### Loss from Continuing Operations

We reported a loss from continuing operations of \$338,152 for the year ended December 31, 2010 as compared to a loss from operations of \$368,486 for the year ended December 31, 2009 (a decrease of \$30,334 or 8.2%).

### Other Income (Expenses)

During the year ended December 31, 2010, we incurred other income of \$1,038,242 as compared to other expense of \$(397,503) for the year ended December 31, 2009 (an increase of \$1,435,745). The variance for year ended December 31, 2010 as compared to the year ended December 31, 2009 resulted primarily from:

- the change in the fair value of the Company's derivative liabilities which was a gain of \$142,524 in 2010 as compared to a loss in 2009 of \$343,259,
- For the year ended December 31, 2010, we incurred interest expense of \$58,710 as compared to \$44,917 for the year ended December 31, 2009, an increase of \$13,793 or 30.7% primarily attributable to an increase in related party borrowings,
- In 2010, we recorded a gain of \$937,700 related to the forfeiture of a deposit received related to an agreed sale of a subsidiary of \$937,700 as compared to \$0 for the year ended December 31, 2009,
- For the year ended December 31, 2010, we recorded a gain from foreign currency exchange of \$16,728 as compared to a loss from foreign currency exchange of \$9,327 for the year ended December 31, 2009, a change of \$26,055 or 279.3%.

### Loss from Discontinued Operations

On April 4, 2011, we sold 100% of our interest in Medlink Conectividad. Due to this sale, all operations of Medlink Conectividad have been retroactively presented as discontinued operations for all periods presented and related operating assets and liabilities have been classified as assets and liabilities of discontinued operations for all periods presented. Loss from discontinued operation is summarized as follows:

|                                   | 2010            | 2009            |
|-----------------------------------|-----------------|-----------------|
| Revenues                          | \$ 4,504,170    | \$ 4,289,523    |
| Operating expenses                | 6,226,633       | 5,573,968       |
| Other expenses                    | 1,072,402       | 751,917         |
| Loss from discontinued operations | \$ (2,794,865 ) | \$ (2,036,362 ) |

### Net Loss

Due to the reasons described above, for the year ended December 31, 2010, our loss was \$2,094,775 as compared to loss of \$2,802,351 for the year ended December 31, 2009.

During fiscal year ended December 31, 2010, we recorded a deemed and cumulative preferred stock dividend of \$100,100 as compared to \$100,880 for the year ended December 31, 2009, which is related to our Series A Preferred Stock.

We reported a net loss attributable to common shareholders of \$2,194,875 for the year ended December 31, 2010 as compared to \$2,903,231 for the year ended December 31, 2009. This translates to a net loss per common share available to shareholders of \$0.02 and \$0.04 for the years ended December 31, 2010 and 2009, respectively.



## Comprehensive Loss

We recorded an unrealized foreign currency translation loss of \$532,601 and \$481,025 for the years ended December 31, 2010 and 2009, respectively. This resulted in a comprehensive net loss during fiscal year ended December 31, 2010 of \$2,627,376 as compared to \$3,283,376 for the year ended December 31, 2009.

## LIQUIDITY AND CAPITAL RESOURCES

Liquidity is the ability of a company to generate funds to support its current and future operations, satisfy its obligations and otherwise operate on an ongoing basis. At December 31, 2010 and 2009, we had cash balances of \$18,388 and \$21,813, respectively. These funds are located in financial institutions located as follows:

|                                 | December 31, 2010 |        |         | December 31, 2009 |        |         |
|---------------------------------|-------------------|--------|---------|-------------------|--------|---------|
| <b>Country:</b>                 |                   |        |         |                   |        |         |
| United States                   | \$                | 3,660  | 19.9 %  | \$                | 2,745  | 12.6 %  |
| Brazil                          |                   | 14,728 | 80.1 %  |                   | 19,068 | 87.4 %  |
| Total cash and cash equivalents | \$                | 18,388 | 100.0 % | \$                | 21,813 | 100.0 % |

As of December 31, 2010, our current assets were \$18,665 and our current liabilities were \$10,823,074, which resulted in a working capital deficit of \$10,804,409.

Our stockholders' deficit increased from \$7,393,587 at December 31, 2009 to \$9,999,197 at December 31, 2010 principally due to the net loss incurred in fiscal 2010 of approximately \$2.1 million

For the year ended December 31, 2010, net cash flow used in operating activities was \$470,736 as compared to \$95,984 for the year ended December 31, 2009. For the year ended December 31, 2010, net cash used in operating activities of \$470,736 primarily consisted of our net loss of \$2,094,775 adjusted for the add back of certain non-cash item such as a gain on derivative liabilities of \$(142,524) and a gain from the forfeiture of deposit on sale of subsidiary of \$937,700 and depreciation expense of \$56,709, and changes in assets and liabilities of discontinued operations of \$2,118,428. For the year ended December 31, 2009, net cash used in operating activities of \$95,984 primarily consisted of our net loss of \$2,802,351, the add back of non-cash items including a loss from derivative liabilities of \$343,259, depreciation and amortization of \$263,857, and the amortization of software maintenance costs of \$114,491, changes in operating assets and liabilities such as an increase in amounts due to related parties of \$269,596 and changes in assets and liabilities of discontinued operations of \$1,662,261.

For the year ended December 31, 2010, net cash flows used in investing activities amounted to \$35,391 and as compared to \$154,042 for the year ended December 31, 2009 and related to the acquisition of property and equipment.

Net cash flows provided by financing activities for the year ended December 31, 2010 were \$502,122 as compared to \$243,130 for the year ended December 31, 2009. For the year ended December 31, 2010, cash provided by financing activities was attributable to \$432,1226 in proceeds from loans from discontinued operations and proceeds of \$70,000 from related party loans. For the year ended December 31, 2009, cash provided by financing activities was attributable to \$242,306 in proceeds from loans and proceeds of \$80,000 from related party loans offset by the payment of capital lease obligations of \$79,176.



## PLAN OF OPERATION

Since inception, we incurred cumulative net losses of \$19,307,203, and have a stockholders' deficit of \$9,999,197 and a working capital deficit of \$10,804,409 at December 31, 2010. Since inception, we have funded operations through short-term borrowings and the proceeds from equity sales in order to meet our strategic objectives. Additionally, on April 4, 2011, we sold our sole operating business subsidiary and accordingly, we now have limited continuing operations that generate no revenues and will be seeking new opportunities to exploit our technologies or to seek a merger candidate. Our future operations are dependent upon external funding and our ability to obtain revenues and reduce expenses. Management believes that sufficient funding will be available from additional related party borrowings to meet our business objectives, including anticipated cash needs for working capital, for a reasonable period of time. However, there can be no assurance that we will be able to obtain sufficient funds to continue the development of our business plan.

As result of the sale as discussed above, in April 2011, we received cash of approximately \$1.7 million. We plan on using these funds to:

- Pay outstanding liabilities for services rendered
- Pay outstanding related party loans and interest
- Negotiate with Series A Preferred shareholders to repurchase all outstanding preferred shares and
  - Fund on-going operations

As of the date of this Annual Report, there is substantial doubt regarding our ability to continue as a going concern as we have not generated sufficient cash flow to fund our business operations and material commitments and we will have no revenues in the near future. Our future success and viability, therefore, is dependent on our ability to develop, provide and market our information network solutions to healthcare providers, health insurance companies and other end-users outside of Brazil, our ability to generate capital financing, or to seek a merger candidate. We are optimistic that we will be successful in our business operations and capital raising efforts; however, there can be no assurance that we will be successful in generating revenue or raising additional capital. The failure to generate sufficient revenues or raise additional capital may have a material and adverse effect upon us and our shareholders.

Based upon a twelve (12) month work plan, it is anticipated that such a work plan would require approximately \$300,000 of financing designed to fund various commitments and business operations.

There can be no assurance, however, that we will be able to raise additional capital. Our failure to successfully raise additional capital will have a material and adverse effect upon us and our shareholders.

Our future success and viability are primarily dependent upon our current management to generate revenues from business operations and raise additional capital through further private offerings of our stock or loans from private investors. There can be no assurance, however, that we will be able to raise additional capital. Our failure to successfully raise additional capital will have a material and adverse effect upon us and our shareholders.

## YA GLOBAL INVESTMENTS ("YA GLOBAL")

On January 13, 2006, we entered into an Investment Agreement with YA Global (collectively, the "Parties"), pursuant to which we sold YA Global up to 16,000 shares of Series A Convertible Preferred Stock, no par value, (the "Series A Preferred Shares") for a total price of up to \$1,600,000. The Series A Preferred Shares are convertible, at YA Global's discretion, into shares of our common stock.



Certain covenants in the Investment Agreement could substantially impact our ability to raise funds from alternative sources in the future. For example, so long as any Series A Preferred Shares are outstanding, we shall not, without the prior written consent of YA Global (a) directly or indirectly consummate any merger, reorganization, restructuring, reverse stock split consolidation, sale of all or substantially all of our assets or any similar transaction or related transactions; (b) incur any indebtedness for borrowed money or become a guarantor or otherwise contingently liable for any such indebtedness except for trade payables or purchase money obligations incurred in the ordinary course of business; (c) file any other registration statements on any form (including but not limited to forms S-1, S-3 and S-8); (d) issue or sell shares of common stock or preferred stock without consideration or for a consideration per share less than the bid price of the common stock determined immediately prior to its issuance or issue any preferred stock, warrant, option, right, contract, call, or other security or instrument granting the holder thereof the right to acquire common stock without consideration or for a consideration per share less than the bid price of the common stock determined immediately prior to the issuance of such convertible security or (e) enter into any security instrument granting the holder a security interest in any and all of our assets.

## MATERIAL COMMITMENTS

### Convertible Loans – Related Party

A material liability for us at December 31, 2010 is the aggregate principal amount of \$175,000 and \$66,679 in accrued interest due and owing to a related party in accordance with two convertible promissory notes (collectively, the "Convertible Promissory Note(s)"). The Convertible Promissory Notes are convertible into shares of our common stock at \$0.125 per share together with a warrant to purchase our common stock at \$0.25 per share for a period of two years. As of December 31, 2010, an aggregate principal amount of \$175,000 and interest in the amount of \$66,679 remains due and owing under the Convertible Promissory Notes. As of the date of this annual report, the Convertible Promissory Notes are deemed in default and are due on demand.

### Loan – Related Party

A material liability for us at December 31, 2010 is the aggregate amount of \$510,444 in principal and interest due and owing to Stephen Walters, our Chief Executive Officer (collectively, the "Loans"). The Loans are evidenced by a promissory note with an interest rate of 0.8% per month and are currently due on demand. For the years ended December 31, 2010 and 2009, we incurred \$37,710 and \$23,917, respectively, in interest related to these loans. At December 31, 2010 and 2009, \$128,035 and \$94,632 in interest and loan fees was accrued on these loans and the aggregate principal and interest amount due is \$510,444 and \$419,462, respectively. During the year ended December 31, 2010, we borrowed \$70,000 which was used for working capital purposes.

### Consulting Agreement

A material liability for us at December 31, 2010 is the amount due and owing as management fees to Stephen Walters, our Chief Executive Officer. For the years ended December 31, 2010 and 2009, we incurred \$210,000 and \$211,078, respectively, in management fees. At December 31, 2010 and 2009, \$702,950 and \$492,757 in management fees and other expenses are payable to Mr. Walters. In accordance with the terms of an agreement effective July 2007, we pay monthly to Mr. Walters an aggregate amount of \$17,500 as compensation for managerial and consulting services he provides.

### Purchase of Significant Equipment

We do not intend to purchase any significant equipment during the next twelve months.



## Off-Balance Sheet Arrangements

As of the date of this annual report, we do not have any off-balance sheet arrangements that have or are reasonably like to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors. The term "off-balance sheet arrangement" generally means any transaction, agreement or other contractual arrangement to which an entity unconsolidated with us is a party, under which we have: (i) any obligation arising under a guarantee contract, derivative instrument or variable interest; or (ii) a retained or contingent interest in assets transferred to such entity or similar arrangement that serves as credit, liquidity or market risk support for such assets.

## RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In December 2010, FASB issued ASU No. 2010-28, Intangibles - Goodwill and Other (ASC Topic 350). Under Topic 350 on goodwill and other intangible assets, testing for goodwill impairment is a two-step test. When a goodwill impairment test is performed (either on an annual or interim basis), an entity must assess whether the carrying amount of a reporting unit exceeds its fair value (Step 1). If it does, an entity must perform an additional test to determine whether goodwill has been impaired and to calculate the amount of that impairment (Step 2). The amendments in this update modify Step 1 of the goodwill impairment test for reporting units with zero or negative carrying amounts. For those reporting units, an entity is required to perform Step 2 of the goodwill impairment test if it is more likely than not that a goodwill impairment exists. In determining whether it is more likely than not that a goodwill impairment exists, an entity should consider whether there are any adverse qualitative factors indicating that an impairment may exist. The qualitative factors require that goodwill of a reporting unit be tested for impairment between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. The amendments in this update are effective for fiscal years, and interim periods within those years, beginning after December 15, 2010. Early adoption is not permitted. As we do not have any significant intangible assets, we believe that the impact of adopting this update will not be material on our consolidated results of operations and financial position.

In December 2010, FASB issued Accounting Standards Update (ASU) No. 2010-29, Business Combinations (ASC Topic 805). The amendments in this update specify that if a public entity presents comparative financial statements, the entity should disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. The amendments also improve the usefulness of the pro forma revenue and earnings disclosures by requiring a description of the nature and amount of material, nonrecurring pro forma adjustments that are directly attributable to the business combination(s). The amendments in this update are effective for fiscal years, and interim periods within those years, beginning after December 15, 2010. Early adoption is permitted. As we did not enter into any business combinations in fiscal year 2010, we believe that the adoption this update will not have any material impact on our financial statement disclosures. However, if we enter into material business combinations in the future, the adoption of this update may have significant impact on our financial statement disclosures.

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption.

## Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable for smaller reporting companies

## ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements begin on page F-1.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

Pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934 ("Exchange Act"), our management, including Stephen Walters, our chief executive officer, and Adam Wasserman, our chief financial officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2010.

Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Securities Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating and implementing possible controls and procedures.

As discussed in more detail below, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures are ineffective as of December 31, 2010, due to material weaknesses that we identified in internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act. Our management is also required to assess and report on the effectiveness of our internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 ("Section 404"). Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2010. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework. In our assessment of the effectiveness of internal control over financial reporting as of December 31, 2010, our management determined that material weaknesses existed as outlined below. A material weakness (within the meaning of PCAOB Auditing Standard No. 5) is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected in a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of the company's financial reporting. Therefore, our internal controls over financial reporting were not effective as of December 31, 2010.

Management identified material weaknesses. Management identified significant deficiencies related to (i) the U.S. GAAP expertise of our internal accounting staff, (ii) our internal audit functions; (iii) the absence of an Audit Committee as of December 31, 2010, and (iv) a lack of segregation of duties within accounting functions.





We began preparing to be in compliance with the internal control obligations, including Section 404, for our fiscal year ending December 31, 2010. Our internal accounting staff was primarily engaged in ensuring compliance with Brazil accounting and reporting requirements for our operating subsidiary and their U.S. GAAP knowledge was limited. As a result, majority of our internal accounting staff is relatively inexperienced with U.S. GAAP and the related internal control procedures required of U.S. public companies. Although our accounting staff is professional and experienced in accounting requirements and procedures generally accepted in Brazil, management has determined that they require additional training and assistance in U.S. GAAP matters. Management has determined that our internal audit function is also significantly deficient due to insufficient qualified resources to perform internal audit functions. Finally, management determined that the lack of an Audit Committee of our Board of Directors also contributed to insufficient oversight of our accounting and audit functions.

In order to correct the foregoing material weaknesses, we have taken the following remediation measures:

- We have committed to the establishment of effective internal audit functions, however, due to the scarcity of qualified candidates with extensive experience in U.S. GAAP reporting and accounting in the region, we were not able to hire sufficient internal audit resources before the end of 2010. However, we will increase our search for qualified candidates with assistance from recruiters and through referrals.
- We will consider searching for independent directors, with one qualified to serve on an audit committee to be established by our Board of Directors and we anticipate that our Board of Directors will also establish a compensation committee to be headed by one of the independent directors.

Due to our size and nature, segregation of all conflicting duties may not always be possible and may not be economically feasible. However, to the extent possible, we will implement procedures to assure that the initiation of transactions, the custody of assets and the recording of transactions will be performed by separate individuals.

We believe that the foregoing steps will remediate the significant material weaknesses identified above, and we will continue to monitor the effectiveness of these steps and make any changes that our management deems appropriate. Due to the nature of these material weaknesses in our internal control over financial reporting, there is a remote likelihood that misstatements which could be material to our annual or interim financial statements could occur that would not be prevented or detected.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

#### Auditor Attestation

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit us to provide only management's report in this annual report.

#### Changes in Internal Control over Financial Reporting

There were no changes in our internal controls over financial reporting during the fourth quarter of fiscal year 2010 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

#### ITEM 9B. OTHER INFORMATION

None.

27

---

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCES

IDENTIFICATION OF DIRECTORS AND EXECUTIVE OFFICERS

All of our directors hold office until the next annual general meeting of the shareholders or until their successors are elected and qualified. Our officers are appointed by our board of directors and hold office until their earlier death, retirement, resignation or removal.

Our directors and executive officers, their ages, positions held are as follows:

| NAME            | AGE | POSITION WITH THE COMPANY                         |
|-----------------|-----|---|
| Stephen Walters | 52  | President, Chief Executive Officer and a Director |
| Laurie Bewes    | 58  | Director  |
| Adam Wasserman  | 46  | Chief Financial Officer                           |

The following describes the business experience of each of our directors and executive officers, including other directorships held in reporting companies:

STEPHEN WALTERS is our President/Chief Executive Officer and a director. Mr. Walters currently is the President/Chief Executive Officer and a director of Transax. Mr. Walters has more than twenty (20) years of business experience. He is responsible for corporate development initiatives that have seen a successful restructuring of the predecessor company. Mr. Walters is also the founder and principal of the Carlingford Group of companies based in Singapore a private investment group undertaking investments in early stage companies. Mr. Walters possesses an in depth knowledge of the public markets having previously acted as President and Chief Executive Officer of US public company's since 2001.

LAURIE BEWES: Mr. Bewes currently is a director of Transax. Mr. Bewes hold a Bachelor of Business Administration and is a member of the Australian Institute of Company Directors (MAICD). His business background over the past twenty (20) years includes joint ventures, business development, mergers, infrastructure privatization and start-ups across South America (Argentina and Brazil), Asia (Indonesia, Singapore and Malaysia) and Australia/New Zealand. Mr. Bewes has worked in various senior executive positions for companies such as P & O, ANL and TNT.

ADAM WASSERMAN has served as our Chief Financial Officer since February 2005 under the terms of the consulting agreement with his firm, CFO Oncall, Inc. Mr. Wasserman devotes a portion of his time to our company. Since November 1999, Mr. Wasserman has been CEO of CFO Oncall, Inc., a Weston, Florida based provider of consultant accounting services specializing in financial reporting, budgeting and planning, mergers and acquisitions, audit preparation services, accounting, automated systems, banking relations and internal controls. Mr. Wasserman has substantial experience with SEC filings such as initial public offerings, 10-Ks and 10-Qs. Mr. Wasserman has also served as the chief financial officer of Gold Horse International, Inc. since July 2007, Oriental Dragon Corporation since June 2009, and others. Mr. Wasserman also served as Chief Financial Officer for Lotus Pharmaceuticals, Inc. from October 2006 to April 2009, China Wind Systems, Inc. in 2007 and 2008, Genesis Pharmaceuticals Enterprises, Inc. from October 2001 until October 2007, and all under the terms of the consulting agreement with CFO Oncall, Inc. From 1991 to 1999, he was Senior Audit Manager at American Express Tax and Business Services, in Fort Lauderdale, Florida, where his responsibilities included supervising, training and evaluating senior staff members, work paper review, auditing, maintaining positive client relations, preparation of tax returns and preparation of financial statements and the related footnotes. From 1986 to 1991, he was employed by Deloitte &

Touche, LLP. During his employment, his significant assignments included audits of public (SEC reporting) and private companies, tax preparation and planning, management consulting, systems design, staff instruction, and recruiting.

Mr. Wasserman holds a Bachelor of Science from the State University of New York at Albany. He is a CPA (New York) and a member of The American Institute of Certified Public Accountants, is a director, treasurer and an executive board member of Gold Coast Venture Capital Association and is a director and audit committee member of China Direct Industries, Inc., a NASDAQ listed company, since January 2010 and Bohai Pharmaceuticals Group, Inc, since July 12, 2010.

#### INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

As of the date of this Annual Report, none of our directors or executive officers is or has been involved in any legal proceeding concerning (i) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (ii) any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses) within the past five years; (iii) being subject to any order, judgment or decree permanently or temporarily enjoining, barring, suspending or otherwise limiting involvement in any type of business, securities or banking activity; or (iv) being found by a court, the SEC or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law (and the judgment has not been reversed, suspended or vacated).

#### AUDIT COMMITTEE

As of the date of this Annual Report, we have not appointed members to an audit committee and, therefore, the respective role of an audit committee has been conducted by our Board of Directors. When established, the audit committee's primary function will be to provide advice with respect to our financial matters and to assist our Board of Directors in fulfilling its oversight responsibilities regarding finance, accounting, tax and legal compliance.

The audit committee's primary duties and responsibilities will be to: (i) serve as an independent and objective party to monitor our financial reporting process and internal control system; (ii) review and appraise the audit efforts of our independent accountants; (iii) evaluate our quarterly financial performance as well as its compliance with laws and regulations; (iv) oversee management's establishment and enforcement of financial policies and business practices; and (v) provide an open avenue of communication among the independent accountants, management and our Board.

Our Board has considered whether the regulatory provision of non-audit services is compatible with maintaining the principal independent accountant's independence.

#### AUDIT COMMITTEE FINANCIAL EXPERT

As of the date of this Annual Report, our Board has determined that we do not have an audit committee financial expert nor do we have an audit committee.

#### COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT

Section 16(a) of the Exchange Act, requires our directors and officers, and the persons who beneficially own more than ten percent of our common stock, to file reports of ownership and changes in ownership with the SEC. Copies of all filed reports are required to be furnished to us pursuant to Rule 16a-3 promulgated under the Exchange Act. Based solely on the reports received by us and on the representations of the reporting persons, we believe that these persons have complied with all applicable filing requirements during the fiscal year ended December 31, 2010.



## ITEM 11. EXECUTIVE COMPENSATION.

The following table summarizes all compensation recorded by us in each of the last two completed fiscal years for our principal executive officer, each other executive officer serving as such whose annual compensation exceeded \$100,000 and up to two additional individuals for whom disclosure would have been made in this table but for the fact that the individual was not serving as an executive officer of our company at December 31, 2010.

## SUMMARY COMPENSATION TABLE

| Name and principal position<br>(a) | Year<br>(b) | Salary<br>(\$)<br>(c) | Bonus<br>(\$)<br>(d) | On<br>Stock Price | On<br>NAV |
|------------------------------------|-------------|-----------------------|----------------------|-------------------|-----------|
| 1-Year                             |             | 22.12%                | 17.44%               |                   |           |
| 5-Year                             |             | 6.56%                 | 6.07%                |                   |           |
| 10-Year                            |             | 6.09%                 | 6.57%                |                   |           |

Portfolio Composition<sup>3</sup>

(as a % of total investments)

|                                   |       |
|-----------------------------------|-------|
| Tax Obligation/General            | 26.6% |
| Health Care                       | 17.7% |
| Tax Obligation/Limited            | 15.0% |
| U.S. Guaranteed                   | 9.7%  |
| Education and Civic Organizations | 8.3%  |
| Industrials                       | 7.0%  |
| Utilities                         | 6.5%  |
| Other                             | 9.2%  |

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

- 1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.9%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investors Service, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
- 3 Holdings are subject to change.

NVJ Nuveen Ohio  
 Performance Dividend Advantage  
 OVERVIEW Municipal Fund 3

as of February 29, 2012

## Fund Snapshot

|  |    |        |
|--|----|--------|
| Common Share Price                             | \$ | 16.20  |
| Common Share Net Asset Value (NAV)             | \$ | 15.79  |
| Premium/(Discount) to NAV                      |    | 2.60%  |
| Market Yield                                   |    | 5.59%  |
| Taxable-Equivalent Yield <sup>1</sup>          |    | 8.21%  |
| Net Assets Applicable to Common Shares (\$000) | \$ | 34,075 |

## Leverage

|                     |        |
|---------------------|--------|
| Regulatory Leverage | 35.15% |
| Effective Leverage  | 37.84% |

Average Annual Total Returns  
(Inception 3/25/02)

|                 | On Share Price | On NAV |
|-----------------|----------------|--------|
| 1-Year          | 25.66%         | 16.88% |
| 5-Year          | 7.41%          | 6.12%  |
| Since Inception | 6.66%          | 6.71%  |

Portfolio Composition<sup>3</sup>

(as a % of total investments)

|                                   |       |
|-----------------------------------|-------|
| Tax Obligation/General            | 25.0% |
| Health Care                       | 21.4% |
| U.S. Guaranteed                   | 15.6% |
| Tax Obligation/Limited            | 9.7%  |
| Utilities                         | 5.2%  |
| Education and Civic Organizations | 4.7%  |
| Industrials                       | 4.6%  |
| Other                             | 13.8% |

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

- 1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.9%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investors Service, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
- 3 Holdings are subject to change.



22 Nuveen Investments

---

## NUM Shareholder Meeting Report

NMP

NZW

The annual meeting of shareholders was held in the offices of Nuveen Investments on November 15, 2011; at this meeting the shareholders were asked to vote on the election of Board Members, the elimination of Fundamental Investment Policies and the approval of new Fundamental Investment Policies. The meeting was subsequently adjourned to December 16, 2011. The meeting for NBJ and NVJ was additionally adjourned to January 31, 2012.

|  | NUM  |   | NMP  |   | NZW  |   |
|--|--|---|--|---|--|---|
|  | Common and Preferred shares voting together as a class | Preferred shares voting together as a class | Common and Preferred shares voting together as a class | Preferred shares voting together as a class | Common and Preferred shares voting together as a class | Preferred shares voting together as a class |
| To approve the elimination of the fundamental policies relating to the Fund's ability to make loans. |  |   |  |   |  |   |
| For  | 4,803,505  | 879   | 3,491,138  | 539   | 1,629,481  | 607,781                                     |
| Against  | 299,570  | —   | 250,280  | —   | 167,851  | 64,066                                      |
| Abstain  | 216,820  | —   | 131,909  | —   | 27,697   | 2,500                                       |
| Broker   |  |   |  |   |  |   |
| Non-Votes  | 1,506,493  | —   | 1,305,937  | —   | 448,334  | 226,484                                     |
| Total  | 6,826,388  | 879   | 5,179,264  | 539   | 2,273,363  | 900,831                                     |

To approve the new fundamental policy relating to the Fund's ability to make loans.

|           |           |     |           |     |           |         |
|-----------|-----------|-----|-----------|-----|-----------|---------|
| For       | 4,772,514 | 879 | 3,478,699 | 539 | 1,617,323 | 606,281 |
| Against   | 310,746   | —   | 261,585   | —   | 171,009   | 65,566  |
| Abstain   | 236,637   | —   | 133,043   | —   | 36,697    | 2,500   |
| Broker    |           |     |           |     |           |         |
| Non-Votes | 1,506,491 | —   | 1,305,937 | —   | 448,334   | 226,484 |
| Total     | 6,826,388 | 879 | 5,179,264 | 539 | 2,273,363 | 900,831 |

Approval of the Board Members was reached as follows:

John P. Amboian

|          |           |   |           |   |           |   |
|----------|-----------|---|-----------|---|-----------|---|
| For      | 6,605,936 | — | 4,908,951 | — | 2,186,843 | — |
| Withhold | 220,452   | — | 270,313   | — | 86,520    | — |
| Total    | 6,826,388 | — | 5,179,264 | — | 2,273,363 | — |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|                      |           |     |           |     |           |         |
|----------------------|-----------|-----|-----------|-----|-----------|---------|
| Robert P. Bremner    |           |     |           |     |           |         |
| For                  | 6,614,415 | —   | 4,902,918 | —   | —         | —       |
| Withhold             | 211,973   | —   | 276,346   | —   | —         | —       |
| Total                | 6,826,388 | —   | 5,179,264 | —   | —         | —       |
| Jack B. Evans        |           |     |           |     |           |         |
| For                  | 6,613,625 | —   | 4,896,575 | —   | —         | —       |
| Withhold             | 212,763   | —   | 282,689   | —   | —         | —       |
| Total                | 6,826,388 | —   | 5,179,264 | —   | —         | —       |
| William C. Hunter    |           |     |           |     |           |         |
| For                  | —         | 879 | —         | 539 | —         | 879,111 |
| Withhold             | —         | —   | —         | —   | —         | 21,720  |
| Total                | —         | 879 | —         | 539 | —         | 900,831 |
| David J. Kundert     |           |     |           |     |           |         |
| For                  | 6,615,880 | —   | 4,878,294 | —   | 2,181,143 | —       |
| Withhold             | 210,508   | —   | 300,970   | —   | 92,220    | —       |
| Total                | 6,826,388 | —   | 5,179,264 | —   | 2,273,363 | —       |
| William J. Schneider |           |     |           |     |           |         |
| For                  | —         | 879 | —         | 539 | —         | 874,111 |
| Withhold             | —         | —   | —         | —   | —         | 26,720  |
| Total                | —         | 879 | —         | 539 | —         | 900,831 |
| Judith M. Stockdale  |           |     |           |     |           |         |
| For                  | 6,614,042 | —   | 4,876,355 | —   | —         | —       |
| Withhold             | 212,346   | —   | 302,909   | —   | —         | —       |
| Total                | 6,826,388 | —   | 5,179,264 | —   | —         | —       |
| Carole E. Stone      |           |     |           |     |           |         |
| For                  | 6,612,926 | —   | 4,907,476 | —   | —         | —       |
| Withhold             | 213,462   | —   | 271,788   | —   | —         | —       |
| Total                | 6,826,388 | —   | 5,179,264 | —   | —         | —       |
| Virginia L. Stringer |           |     |           |     |           |         |
| For                  | 6,614,530 | —   | 4,916,436 | —   | —         | —       |
| Withhold             | 211,858   | —   | 262,828   | —   | —         | —       |
| Total                | 6,826,388 | —   | 5,179,264 | —   | —         | —       |
| Terence J. Toth      |           |     |           |     |           |         |
| For                  | 6,607,313 | —   | 4,910,741 | —   | 2,183,443 | —       |
| Withhold             | 219,075   | —   | 268,523   | —   | 89,920    | —       |
| Total                | 6,826,388 | —   | 5,179,264 | —   | 2,273,363 | —       |

NUO  
NXI  
NBJ

Shareholder Meeting Report (continued)

|  | NUO  |   | NXI  |   | NBJ  |   |
|--|--|---|--|---|--|---|
|  | Common and Preferred shares voting together as a class | Preferred shares voting together as a class | Common and Preferred shares voting together as a class | Preferred shares voting together as a class | Common and Preferred shares voting together as a class | Preferred shares voting together as a class |
| To approve the elimination of the fundamental policies relating to the Fund's ability to make loans. |  |   |  |   |  |   |
| For  | 4,289,577  | 735   | 3,150,830  | 1,231,680                                   | 2,411,599  | 718,267                                     |
| Against  | 425,905  | —   | 320,793  | 124,100                                     | 380,673  | 197,800                                     |
| Abstain  | 277,776  | —   | 86,982   | 6,200                                       | 98,512   | 25,500                                      |
| Broker   |  |   |  |   |  |   |
| Non-Votes  | 1,217,275  | —   | 1,030,941  | 398,682                                     | 782,297  | 548,433                                     |
| Total  | 6,210,533  | 735   | 4,589,546  | 1,760,662                                   | 3,673,081  | 1,490,000                                   |
| To approve the new fundamental policy relating to the Fund's ability to make loans.                  |  |   |  |   |  |   |
| For  | 4,245,914  | 735   | 3,141,646  | 1,231,680                                   | 2,361,917  | 702,267                                     |
| Against  | 461,012  | —   | 325,817  | 124,100                                     | 403,510  | 213,800                                     |
| Abstain  | 286,332  | —   | 91,142   | 6,200                                       | 125,357  | 25,500                                      |
| Broker   |  |   |  |   |  |   |
| Non-Votes  | 1,217,275  | —   | 1,030,941  | 398,682                                     | 782,297  | 548,433                                     |
| Total  | 6,210,533  | 735   | 4,589,546  | 1,760,662                                   | 3,673,081  | 1,490,000                                   |
| Approval of the Board Members was reached as follows:  |  |   |  |   |  |   |
| John P. Amboian  |  |   |  |   |  |   |
| For  | 5,731,164  | —   | 4,356,867  | —   | 3,173,458  | —   |
| Withhold   | 479,369  | —   | 232,679  | —   | 274,802  | —   |
| Total  | 6,210,533  | —   | 4,589,546  | —   | 3,448,260  | —   |
| Robert P. Bremner  |  |   |  |   |  |   |
| For  | 5,728,807  | —   | —  | —   | —  | —   |
| Withhold   | 481,726  | —   | —  | —   | —  | —   |
| Total  | 6,210,533  | —   | —  | —   | —  | —   |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|                      |           |     |           |           |           |           |
|----------------------|-----------|-----|-----------|-----------|-----------|-----------|
| Jack B. Evans        |           |     |           |           |           |           |
| For                  | 5,735,643 | —   | —         | —         | —         | —         |
| Withhold             | 474,890   | —   | —         | —         | —         | —         |
| Total                | 6,210,533 | —   | —         | —         | —         | —         |
| William C. Hunter    |           |     |           |           |           |           |
| For                  | —         | 735 | —         | 1,690,938 | —         | 1,267,100 |
| Withhold             | —         | —   | —         | 69,724    | —         | 109,100   |
| Total                | —         | 735 | —         | 1,760,662 | —         | 1,376,200 |
| David J. Kundert     |           |     |           |           |           |           |
| For                  | 5,733,056 | —   | 4,357,441 | —         | 3,173,458 | —         |
| Withhold             | 477,477   | —   | 232,105   | —         | 274,802   | —         |
| Total                | 6,210,533 | —   | 4,589,546 | —         | 3,448,260 | —         |
| William J. Schneider |           |     |           |           |           |           |
| For                  | —         | 735 | —         | 1,690,938 | —         | 1,267,100 |
| Withhold             | —         | —   | —         | 69,724    | —         | 109,100   |
| Total                | —         | 735 | —         | 1,760,662 | —         | 1,376,200 |
| Judith M. Stockdale  |           |     |           |           |           |           |
| For                  | 5,720,195 | —   | —         | —         | —         | —         |
| Withhold             | 490,338   | —   | —         | —         | —         | —         |
| Total                | 6,210,533 | —   | —         | —         | —         | —         |
| Carole E. Stone      |           |     |           |           |           |           |
| For                  | 5,726,214 | —   | —         | —         | —         | —         |
| Withhold             | 484,319   | —   | —         | —         | —         | —         |
| Total                | 6,210,533 | —   | —         | —         | —         | —         |
| Virginia L. Stringer |           |     |           |           |           |           |
| For                  | 5,727,404 | —   | —         | —         | —         | —         |
| Withhold             | 483,129   | —   | —         | —         | —         | —         |
| Total                | 6,210,533 | —   | —         | —         | —         | —         |
| Terence J. Toth      |           |     |           |           |           |           |
| For                  | 5,739,868 | —   | 4,357,441 | —         | 3,173,458 | —         |
| Withhold             | 470,665   | —   | 232,105   | —         | 274,802   | —         |
| Total                | 6,210,533 | —   | 4,589,546 | —         | 3,448,260 | —         |

24 Nuveen Investments

NVJ

|  | NVJ  |  |
|--|--|--|
|  | Common and<br>Preferred<br>shares voting<br>together<br>as a class | Preferred<br>shares voting<br>together<br>as a class |
| To approve the elimination of the fundamental policies relating to the Fund's ability to make loans. |  |  |
| For  | 1,773,549  | 701,000  |
| Against  | 176,688  | 60,000   |
| Abstain  | 144,072  | —  |
| Broker Non-Votes   | 522,497  | 251,015  |
| Total  | 2,616,806  | 1,012,015  |
| To approve the new fundamental policy relating to the Fund's ability to make loans.                  |  |  |
| For  | 1,754,984  | 695,000  |
| Against  | 176,262  | 60,000   |
| Abstain  | 163,063  | 6,000  |
| Broker Non-Votes   | 522,497  | 251,015  |
| Total  | 2,616,806  | 1,012,015  |
| Approval of the Board Members was reached as follows:  |  |  |
| John P. Amboian  |  |  |
| For  | 2,443,417  | —  |
| Withhold   | 124,022  | —  |
| Total  | 2,567,439  | —  |
| Robert P. Bremner  |  |  |
| For  | —  | —  |
| Withhold   | —  | —  |
| Total  | —  | —  |
| Jack B. Evans  |  |  |
| For  | —  | —  |
| Withhold   | —  | —  |
| Total  | —  | —  |
| William C. Hunter  |  |  |
| For  | —  | 951,915  |
| Withhold   | —  | 60,000   |
| Total  | —  | 1,011,915  |
| David J. Kundert   |  |  |
| For  | 2,420,398  | —  |
| Withhold   | 147,041  | —  |
| Total  | 2,567,439  | —  |
| William J. Schneider   |  |  |
| For  | —  | 971,915  |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|                      |           |           |
|----------------------|-----------|-----------|
| Withhold             | —         | 40,000    |
| Total                | —         | 1,011,915 |
| Judith M. Stockdale  |           |           |
| For                  | —         | —         |
| Withhold             | —         | —         |
| Total                | —         | —         |
| Carole E. Stone      |           |           |
| For                  | —         | —         |
| Withhold             | —         | —         |
| Total                | —         | —         |
| Virginia L. Stringer |           |           |
| For                  | —         | —         |
| Withhold             | —         | —         |
| Total                | —         | —         |
| Terence J. Toth      |           |           |
| For                  | 2,441,412 | —         |
| Withhold             | 126,027   | —         |
| Total                | 2,567,439 | —         |

Nuveen Investments 25

Report of Independent  
Registered Public Accounting Firm

The Board of Directors/Trustees and Shareholders  
Nuveen Michigan Quality Income Municipal Fund, Inc.  
Nuveen Michigan Premium Income Municipal Fund, Inc.  
Nuveen Michigan Dividend Advantage Municipal Fund  
Nuveen Ohio Quality Income Municipal Fund, Inc.  
Nuveen Ohio Dividend Advantage Municipal Fund  
Nuveen Ohio Dividend Advantage Municipal Fund 2  
Nuveen Ohio Dividend Advantage Municipal Fund 3

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of Nuveen Michigan Quality Income Municipal Fund, Inc., Nuveen Michigan Premium Income Municipal Fund, Inc., Nuveen Michigan Dividend Advantage Municipal Fund, Nuveen Ohio Quality Income Municipal Fund, Inc., Nuveen Ohio Dividend Advantage Municipal Fund, Nuveen Ohio Dividend Advantage Municipal Fund 2, and Nuveen Ohio Dividend Advantage Municipal Fund 3 (the "Funds") as of February 29, 2012, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods indicated therein. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Funds' internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of February 29, 2012, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial positions of Nuveen Michigan Quality Income Municipal Fund, Inc., Nuveen Michigan Premium Income Municipal Fund, Inc., Nuveen Michigan Dividend Advantage Municipal Fund, Nuveen Ohio Quality Income Municipal Fund, Inc., Nuveen Ohio Dividend Advantage Municipal Fund, Nuveen Ohio Dividend Advantage Municipal Fund 2, and Nuveen Ohio Dividend Advantage Municipal Fund 3 at February 29, 2012, and the results of their operations and their cash flows for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the periods indicated therein, in conformity with U.S. generally accepted accounting principles.

Chicago, Illinois  
April 25, 2012





Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

Nuveen Michigan Quality Income Municipal Fund, Inc.  
Portfolio of Investments

February 29, 2012

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value     |
|---------------------------|---|---------------------------------------|-------------|-----------|
|                           | Consumer Staples – 3.8% (2.6% of Total Investments)   |                                       |             |           |
| \$ 7,500                  | Michigan Tobacco Settlement Finance Authority, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2008A, 6.875%, 6/01/42   | 6/18 at 100.00                        | B2\$        | 7,025,775 |
|                           | Education and Civic Organizations – 3.9% (2.7% of Total Investments)  |                                       |             |           |
| 250                       | Conner Creek Academy East, Michigan, Public School Revenue Bonds, Series 2007, 5.250%, 11/01/36   | 11/16 at 100.00                       | BB–         | 192,205   |
| 755                       | Detroit Community High School, Michigan, Public School Academy Revenue Bonds, Series 2005, 5.750%, 11/01/30   | 11/15 at 100.00                       | B+          | 574,336   |
| 385                       | Michigan Finance Authority, Public School Academy Limited Obligation Revenue and Refunding Bonds, Detroit Service Learning Academy Project, Series 2011, 7.000%, 10/01/31 | 10/21 at 100.00                       | BBB–        | 400,215   |
| 1,685                     | Michigan Higher Education Facilities Authority, Limited Obligation Revenue Refunding Bonds, Kettering University, Series 2001, 5.500%, 9/01/17 – AMBAC Insured            | 9/12 at 100.00                        | N/R         | 1,686,365 |
| 1,000                     | Michigan Higher Education Student Loan Authority, Revenue Bonds, Series 2002 XVII-G, 5.200%, 9/01/20 – AMBAC Insured (Alternative Minimum Tax)                            | 9/12 at 100.00                        | AA          | 1,007,350 |
| 2,000                     | Michigan State University, General Revenue Bonds, Refunding Series 2010C, 5.000%, 2/15/40   | 2/20 at 100.00                        | Aa1         | 2,190,120 |
| 1,115                     | Michigan Technological University, General Revenue Bonds, Series 2004A, 5.000%, 10/01/22 – NPFQ Insured   | 10/13 at 100.00                       | Aa3         | 1,187,776 |
| 7,190                     | Total Education and Civic Organizations   |                                       |             | 7,238,367 |
|                           | Health Care – 16.5% (11.2% of Total Investments)  |                                       |             |           |
| 2,000                     | Grand Traverse County Hospital Financial Authority, Michigan, Revenue Bonds, Munson Healthcare, Refunding Series 2011A, 5.000%, 7/01/29                                   | 7/21 at 100.00                        | A1          | 2,132,800 |
| 1,080                     | Jackson County Hospital Finance Authority, Michigan, Hospital Revenue Bonds, Allegiance Health, Refunding Series 2010A, 5.000%, 6/01/37 – AGM Insured                     | 6/20 at 100.00                        | AA–         | 1,145,480 |
|                           | Kent Hospital Finance Authority, Michigan, Revenue Refunding Bonds, Spectrum Health   |                                       |             |           |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

System, Refunding Series 2011C:

|        |  |                    |      |            |
|--------|--|--------------------|------|------------|
| 3,000  | 5.000%, 1/15/31  | 1/22 at<br>100.00  | AA   | 3,308,370  |
| 750    | 5.000%, 1/15/42  | No Opt. Call       | AA   | 799,628    |
| 4,000  | Michigan Finance Authority, Revenue Bonds,<br>Trinity Health Credit Group, Refunding Series<br>2011, 5.000%, 12/01/39  | No Opt. Call       | AA   | 4,238,920  |
| 4,100  | Michigan State Hospital Finance Authority,<br>Hospital Revenue Bonds, Henry Ford Health<br>System, Refunding Series 2009, 5.750%, 11/15/39   | 11/19 at<br>100.00 | A1   | 4,470,927  |
| 4,075  | Michigan State Hospital Finance Authority,<br>Hospital Revenue Bonds, Oakwood Obligated<br>Group, Series 2002A, 5.750%, 4/01/32  | 4/13 at<br>100.00  | A    | 4,159,027  |
| 2,500  | Michigan State Hospital Finance Authority,<br>Hospital Revenue Bonds, MidMichigan Obligated<br>Group, Series 2009A, 5.875%, 6/01/39 – AGC<br>Insured   | 6/19 at<br>100.00  | AA–  | 2,776,050  |
| 1,000  | Michigan State Hospital Finance Authority,<br>Hospital Revenue Refunding Bonds, Memorial<br>Healthcare Center Obligated Group, Series 1999,<br>5.875%, 11/15/21                                    | 5/12 at<br>100.00  | BBB  | 1,001,430  |
| 1,375  | Michigan State Hospital Finance Authority,<br>Hospital Revenue Refunding Bonds, Trinity<br>Health Credit Group, Series 2002C, 5.375%,<br>12/01/30  | 12/12 at<br>100.00 | AA   | 1,392,490  |
|        | Michigan State Hospital Finance Authority,<br>Revenue Bonds, Marquette General Hospital,<br>Series 2005A:  |                    |      |            |
| 1,500  | 5.000%, 5/15/26  | 5/15 at<br>100.00  | Baa3 | 1,510,050  |
| 2,080  | 5.000%, 5/15/34  | 5/15 at<br>100.00  | Baa3 | 2,004,205  |
| 1,150  | Royal Oak Hospital Finance Authority, Michigan,<br>Hospital Revenue Bonds, William Beaumont<br>Hospital, Refunding Series 2009V, 8.250%,<br>9/01/39  | 9/18 at<br>100.00  | A1   | 1,451,220  |
| 28,610 | Total Health Care<br>Housing/Multifamily – 5.6% (3.8% of Total<br>Investments)   |                    |      | 30,390,597 |
| 2,675  | Michigan Housing Development Authority,<br>FNMA Limited Obligation Multifamily Housing<br>Revenue Bonds, Parkview Place Apartments,<br>Series 2002A, 5.550%, 12/01/34 (Alternative<br>Minimum Tax) | 12/20 at<br>101.00 | AA+  | 2,913,583  |
|        | Michigan Housing Development Authority,<br>Multifamily Housing Revenue Bonds, Series<br>1988A:   |                    |      |            |
| 210    | 3.375%, 11/01/16 (Alternative Minimum Tax)   | 11/14 at<br>101.00 | AA   | 213,320    |
| 1,860  | 3.875%, 11/01/17 (Alternative Minimum Tax)   | 11/14 at<br>101.00 | AA   | 1,896,437  |



NUM Nuveen Michigan Quality Income Municipal Fund, Inc. (continued)  
Portfolio of Investments  
February 29, 2012

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------|--|---------------------------------------|-------------|------------|
|                           | Housing/Multifamily (continued)  |                                       |             |            |
| \$ 140                    | Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 1999A, 5.300%, 10/01/37 – NPMFG Insured (Alternative Minimum Tax) | 4/12 at 100.00                        | AA          | \$ 140,071 |
| 1,300                     | Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 2006D, 5.125%, 4/01/31 – AGM Insured (Alternative Minimum Tax)    | 7/15 at 100.00                        | AA          | 1,329,991  |
| 200                       | Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 2009A, 5.700%, 10/01/39   | 10/18 at 100.00                       | AA          | 213,544    |
| 1,825                     | Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 2010A, 5.000%, 10/01/35   | 10/20 at 100.00                       | AA          | 1,896,193  |
| 1,725                     | Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 2012A-2, 4.625%, 10/01/41   | 4/22 at 100.00                        | AA          | 1,738,093  |
| 9,935                     | Total Housing/Multifamily  |                                       |             | 10,341,232 |
|                           | Housing/Single Family – 1.7% (1.1% of Total Investments)   |                                       |             |            |
| 2,000                     | Michigan Housing Development Authority, Single Family Homeownership Revenue Bonds, Series 2010C, 5.500%, 12/01/28 (Alternative Minimum Tax)    | 6/20 at 100.00                        | AA+         | 2,102,000  |
| 950                       | Michigan Housing Development Authority, Single Family Homeownership Revenue Bonds, Series 2011A, 4.600%, 12/01/26                              | 6/21 at 100.00                        | AA+         | 1,018,752  |
| 2,950                     | Total Housing/Single Family  |                                       |             | 3,120,752  |
|                           | Tax Obligation/General – 52.2% (35.5% of Total Investments)  |                                       |             |            |
| 1,000                     | Anchor Bay School District, Macomb and St. Clair Counties, Michigan, General Obligation Refunding Bonds, Series 2002, 5.000%, 5/01/25          | 5/12 at 100.00                        | Aa2         | 1,003,290  |
| 1,000                     | Ann Arbor, Michigan, General Obligation Bonds, Court & Police Facilities Capital Improvement Series 2008, 5.000%, 5/01/38                      | 5/18 at 100.00                        | AA+         | 1,085,750  |
| 1,000                     | Byron Center Public Schools, Kent County, Michigan, General Obligation Bonds, Series 2012, 4.000%, 5/01/32                                     | 5/21 at 100.00                        | AA–         | 1,013,390  |
| 2,110                     |  |                                       | Aa2         | 2,220,817  |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |  |                 |          |           |
|-------|--|-----------------|----------|-----------|
|       | Caledonia Community Schools, Kent, Allegan and Barry Counties, Michigan, General Obligation Bonds, Series 2003, 5.250%, 5/01/20  | 5/13 at 100.00  |          |           |
| 1,000 | Caledonia Community Schools, Kent, Allegan and Barry Counties, Michigan, General Obligation Bonds, Series 2005, 5.000%, 5/01/25 – NPMG Insured                             | 5/15 at 100.00  | Aa2      | 1,061,260 |
| 2,319 | Caledonia Community Schools, Kent, Allegan and Barry Counties, Michigan, General Obligation Bonds, Tender Option Bond Trust 2008-1096, 7.934%, 5/01/32 – NPMG Insured (IF) | 5/17 at 100.00  | Aa2      | 2,542,714 |
| 875   | Charlotte Public School District, Easton County, Michigan, General Obligation Bonds, Refunding Series 2012, 5.000%, 5/01/20 (W/DD, Settling 3/14/12)                       | No Opt.         | Call AA– | 1,060,369 |
| 1,900 | Comstock Park Public Schools, Kent County, Michigan, General Obligation Bonds, School Building & Site, Series 2011B, 5.500%, 5/01/41                                       | 5/21 at 100.00  | AA–      | 2,133,206 |
| 2,000 | Detroit City School District, Wayne County, Michigan, General Obligation Bonds, Series 2002A, 6.000%, 5/01/19 – FGIC Insured   | No Opt.         | Call Aa2 | 2,364,540 |
| 700   | Detroit-Wayne County Stadium Authority, Michigan, Limited Tax General Obligation Building Authority Stadium Bonds, Series 1997, 5.500%, 2/01/17 – FGIC Insured             | 8/12 at 100.00  | BBB+     | 701,939   |
|       | Grand Rapids and Kent County Joint Building Authority, Michigan, Limited Tax General Obligation Bonds, Devos Place Project, Series 2001:                                   |                 |          |           |
| 8,900 | 0.000%, 12/01/25   | No Opt.         | Call AAA | 5,527,434 |
| 3,000 | 0.000%, 12/01/26   | No Opt.         | Call AAA | 1,773,330 |
| 100   | 0.000%, 12/01/27   | No Opt.         | Call AAA | 56,166    |
| 5,305 | 0.000%, 12/01/29   | No Opt.         | Call AAA | 2,655,842 |
| 1,700 | Grand Rapids, Michigan, General Obligation Bonds, Capital Improvement Series 2007, 5.000%, 9/01/27 – NPMG Insured  | 9/17 at 100.00  | AA       | 1,864,849 |
| 1,400 | Howell Public Schools, Livingston County, Michigan, General Obligation Bonds, Series 2003, 5.000%, 5/01/21   | 11/13 at 100.00 | Aa2      | 1,488,942 |
| 1,065 | Jackson Public Schools, Jackson County, Michigan, General Obligation School Building and Site Bonds, Series 2004, 5.000%, 5/01/22 – AGM Insured                            | 5/14 at 100.00  | Aa2      | 1,160,030 |
| 1,935 | Kalamazoo Public Schools, Michigan, General Obligation Bonds, Series 2006, 5.000%, 5/01/25 – AGM Insured   | 5/16 at 100.00  | Aa2      | 2,124,495 |
| 200   | L’Anse Creuse Public Schools, Macomb County, Michigan, General Obligation Bonds, Series 2005, 5.000%, 5/01/35 – AGM Insured  | 5/15 at 100.00  | AA+      | 207,310   |



Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000)  | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|--|---|---------------------------------------|-------------|--------------|
| Tax Obligation/General (continued)   |   |                                       |             |              |
| \$ 2,505   | Lincoln Consolidated School District, Washtenaw and Wayne Counties, Michigan, General Obligation Bonds, Series 2006, 5.000%, 5/01/25 – NPFG Insured | 5/16 at 100.00                        | Aa2         | \$ 2,696,833 |
| 2,810  | Livonia Public Schools, Wayne County, Michigan, General Obligation Bonds, Series 2004A, 5.000%, 5/01/21 – NPFG Insured                              | 5/14 at 100.00                        | Aa2         | 3,005,323    |
| 865  | Lowell Area Schools, Kent and Ionia Counties, Michigan, General Obligation Bonds, Series 2007, 5.000%, 5/01/37 – AGM Insured                        | 5/17 at 100.00                        | Aa2         | 912,662      |
| 1,500  | Marshall Public Schools, Calhoun County, Michigan, General Obligation Bonds, Series 2007, 5.000%, 5/01/30 – SYNCORA GTY Insured                     | 5/17 at 100.00                        | AA–         | 1,610,310    |
| 2,100  | Michigan Municipal Bond Authority, General Obligation Bonds, Detroit City School District, Series 2005, 5.000%, 6/01/18 – AGM Insured               | 6/15 at 100.00                        | AA–         | 2,222,493    |
| 1,000  | Michigan State, General Obligation Bonds, Environmental Program, Refunding Series 2011A, 5.000%, 12/01/22   | 12/21 at 100.00                       | Aa2         | 1,216,260    |
| 100  | Michigan State, General Obligation Bonds, Environmental Program, Series 2009A, 5.500%, 11/01/25   | 5/19 at 100.00                        | Aa2         | 118,200      |
| 2,500  | Montrose School District, Michigan, School Building and Site Bonds, Series 1997, 6.000%, 5/01/22 – NPFG Insured                                     | No Opt. Call                          | Aa3         | 3,161,225    |
| 3,950  | Oakland Intermediate School District, Oakland County, Michigan, General Obligation Bonds, Series 2007, 5.000%, 5/01/36 – AGM Insured                | 5/17 at 100.00                        | Aaa         | 4,200,035    |
| 1,595  | Oakridge Public Schools, Muskegon County, Michigan, General Obligation Bonds, Series 2005, 5.000%, 5/01/22 – NPFG Insured                           | 5/15 at 100.00                        | AA–         | 1,788,856    |
| Ottawa County, Michigan, Water Supply System, General Obligation Bonds, Series 2007: |   |                                       |             |              |
| 4,330  | 5.000%, 8/01/26 – NPFG Insured (UB)   | 8/17 at 100.00                        | Aaa         | 5,104,464    |
| 1,120  | 5.000%, 8/01/30 – NPFG Insured (UB)   | 8/17 at 100.00                        | Aaa         | 1,215,827    |
| 1,245  | Parchment School District, Kalamazoo County, Michigan, General Obligation Bonds, Tender Option Bond Trust 2836, 11.197%, 5/01/15 – AGM Insured (IF) | No Opt. Call                          | Aa2         | 1,378,887    |
| 4,340  | Plymouth-Canton Community School District, Wayne and Washtenaw Counties, Michigan, General Obligation Bonds, Series 2004, 5.000%,                   | 5/14 at 100.00                        | Aa2         | 4,671,576    |



Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|  |  |                    |      |           |
|--|--|--------------------|------|-----------|
| 5/01/26 – FGIC Insured   |  |                    |      |           |
| Port Huron, Michigan, General Obligation Bonds,<br>Refunding & Capital Improvement Series 2011:                          |  |                    |      |           |
| 1,585  | 5.000%, 10/01/31 – AGM Insured   | 10/21 at<br>100.00 | AA–  | 1,730,614 |
| 640  | 5.250%, 10/01/37 – AGM Insured   | 10/21 at<br>100.00 | AA–  | 690,208   |
| Port Huron, Michigan, General Obligation Bonds,<br>Series 2011B:   |  |                    |      |           |
| 530  | 5.000%, 10/01/31 – AGM Insured   | 10/21 at<br>100.00 | AA–  | 578,691   |
| 800  | 5.250%, 10/01/40 – AGM Insured   | 10/21 at<br>100.00 | AA–  | 864,072   |
| 300  | Rockford Public Schools, Kent County, Michigan,<br>General Obligation Bonds, Refunding Series<br>2012, 5.000%, 5/01/19   | No Opt. Call       | AA–  | 359,382   |
| 1,000  | Rockford Public Schools, Kent County, Michigan,<br>General Obligation Bonds, Series 2008, 5.000%,<br>5/01/33 – AGM Insured                                       | 5/18 at<br>100.00  | Aa2  | 1,075,380 |
| 200  | South Haven, Van Buren County, Michigan,<br>General Obligation Bonds, Capital Improvement<br>Series 2009, 5.125%, 12/01/33 – AGC Insured                         | 12/19 at<br>100.00 | AA–  | 227,204   |
| 3,175  | South Redford School District, Wayne County,<br>Michigan, General Obligation Bonds, School<br>Building and Site, Series 2005, 5.000%, 5/01/30 –<br>NPFPG Insured | 5/15 at<br>100.00  | Aa2  | 3,322,987 |
| 1,655  | Southfield Library Building Authority, Michigan,<br>General Obligation Bonds, Series 2005, 5.000%,<br>5/01/26 – NPFPG Insured                                    | 5/15 at<br>100.00  | AA   | 1,757,577 |
| 2,200  | Thornapple Kellogg School District, Barry<br>County, Michigan, General Obligation Bonds,<br>Series 2007, 5.000%, 5/01/32 – NPFPG Insured                         | 5/17 at<br>100.00  | Aa2  | 2,342,472 |
| 2,000  | Trenton Public Schools District, Michigan,<br>General Obligation Bonds, Series 2008, 5.000%,<br>5/01/34 – AGM Insured  | 5/18 at<br>100.00  | Aa2  | 2,143,920 |
| 2,275  | Troy City School District, Oakland County,<br>Michigan, General Obligation Bonds, Series 2006,<br>5.000%, 5/01/19 – NPFPG Insured                                | 5/16 at<br>100.00  | Aa1  | 2,581,192 |
| Van Dyke Public Schools, Macomb County,<br>Michigan, General Obligation Bonds, School<br>Building and Site, Series 2008: |  |                    |      |           |
| 310  | 5.000%, 5/01/31 – AGM Insured  | 5/18 at<br>100.00  | Aa2  | 334,437   |
| 575  | 5.000%, 5/01/38 – AGM Insured  | 5/18 at<br>100.00  | Aa2  | 611,478   |
| 1,180  | Wayne Charter County, Michigan, General<br>Obligation Bonds, Building Improvements, Series<br>2009A, 6.750%, 11/01/39  | 12/19 at<br>100.00 | BBB+ | 1,332,727 |



NUM Nuveen Michigan Quality Income Municipal Fund, Inc. (continued)  
Portfolio of Investments  
February 29, 2012

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|--|---------------------------------------|-------------|--------------|
|                           | Tax Obligation/General (continued)   |                                       |             |              |
| \$ 5,000                  | Wayne Charter County, Michigan, Limited Tax<br>General Obligation Airport Hotel Revenue Bonds,<br>Detroit Metropolitan Wayne County Airport,<br>Series 2001A, 5.000%, 12/01/21 – NPMFG Insured | 12/12 at<br>100.00                    | BBB+        | \$ 5,051,500 |
| 3,350                     | Wayne Westland Community Schools, Michigan,<br>General Obligation Bonds, Series 2004, 5.000%,<br>5/01/17 – AGM Insured   | 11/14 at<br>100.00                    | Aa2         | 3,722,621    |
| 1,725                     | Williamston Community School District,<br>Michigan, Unlimited Tax General Obligation<br>QSBLF Bonds, Series 1996, 5.500%, 5/01/25 –<br>NPMFG Insured   | No Opt. Call                          | Aa3         | 2,146,314    |
| 95,969                    | Total Tax Obligation/General<br>Tax Obligation/Limited – 19.0% (12.9% of Total<br>Investments)   |                                       |             | 96,221,400   |
| 1,305                     | Government of Guam, Business Privilege Tax<br>Bonds, Series 2011A, 5.125%, 1/01/42   | 1/22 at<br>100.00                     | A           | 1,417,295    |
| 1,000                     | Grand Rapids Building Authority, Kent County,<br>Michigan, Limited Tax General Obligation Bonds,<br>Series 1998, 5.000%, 4/01/16   | No Opt. Call                          | AA          | 1,156,500    |
| 10                        | Michigan Municipal Bond Authority, Local<br>Government Loan Program Revenue Sharing<br>Bonds, Series 1992D, 6.650%, 5/01/12  | No Opt. Call                          | Aa3         | 10,053       |
| 2,135                     | Michigan State Building Authority, Revenue<br>Bonds, Facilities Program, Series 2005II, 5.000%,<br>10/15/33 – AMBAC Insured  | 10/15 at<br>100.00                    | Aa3         | 2,228,684    |
| 7,000                     | Michigan State Building Authority, Revenue<br>Bonds, Refunding Series 2006IA:<br>0.000%, 10/15/27 – AGM Insured  | 10/16 at<br>58.27                     | AA–         | 3,363,010    |
| 6,200                     | 0.000%, 10/15/28 – AGM Insured   | 10/16 at<br>55.35                     | AA–         | 2,815,296    |
| 4,440                     | 5.000%, 10/15/36 – FGIC Insured  | 10/16 at<br>100.00                    | Aa3         | 4,655,296    |
|                           | Michigan State Building Authority, Revenue<br>Refunding Bonds, Facilities Program, Series<br>2003II:   |                                       |             |              |
| 5,100                     | 5.000%, 10/15/22 – NPMFG Insured   | 10/13 at<br>100.00                    | Aa3         | 5,332,815    |
| 5,000                     | 5.000%, 10/15/23 – NPMFG Insured   | 10/13 at<br>100.00                    | Aa3         | 5,222,350    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|        |   |                    |         |            |
|--------|---|--------------------|---------|------------|
| 700    | Michigan State Trunk Line Fund Refunding Bonds, Series 2009, 5.000%, 11/15/36   | 11/21 at<br>100.00 | AA+     | 789,775    |
| 3,500  | Michigan State Trunk Line, Fund Refunding Bonds, Series 2002, 5.250%, 10/01/21 – AGM Insured  | 10/12 at<br>100.00 | AA+     | 3,592,855  |
| 17,000 | Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, Series 2007A, 0.000%, 8/01/44 – NPFPG Insured   | No Opt. Call       | Aa2     | 2,881,500  |
| 1,000  | Virgin Islands Public Finance Authority, Matching Fund Loan Notes Revenue Bonds, Series 2009B, 5.000%, 10/01/25   | 10/19 at<br>100.00 | BBB     | 1,073,660  |
| 420    | Virgin Islands Public Finance Authority, Revenue Bonds, Senior Lien Matching Fund Loan Notes, Series 2009A-1, 5.000%, 10/01/39                                | 10/19 at<br>100.00 | BBB     | 428,618    |
| 54,810 | Total Tax Obligation/Limited Transportation – 2.1% (1.4% of Total Investments)  |                    |         | 34,967,707 |
| 1,000  | Capital Region Airport Authority, Michigan, Revenue Refunding Bonds, Series 2002, 5.250%, 7/01/21 – NPFPG Insured (Alternative Minimum Tax)                   | 7/12 at<br>100.00  | BBB     | 1,006,680  |
| 500    | Wayne County Airport Authority, Michigan, Revenue Bonds, Detroit Metropolitan Airport, Refunding Series 2007, 5.000%, 12/01/12 – FGIC Insured                 | No Opt. Call       | A       | 514,815    |
| 2,000  | Wayne County Airport Authority, Michigan, Revenue Bonds, Detroit Metropolitan Airport, Refunding Series 2011A, 5.000%, 12/01/21 (Alternative Minimum Tax)     | No Opt. Call       | A       | 2,223,480  |
| 3,500  | Total Transportation U.S. Guaranteed – 18.8% (12.7% of Total Investments) (4)   |                    |         | 3,744,975  |
| 1,200  | Birmingham, Michigan, General Obligation Bonds, Series 2002, 5.000%, 10/01/20 (Pre-refunded 10/01/12)   | 10/12 at<br>100.50 | AAA     | 1,240,200  |
| 1,320  | Bridgeport Spaulding Community School District, Saginaw County, Michigan, General Obligation Bonds, Series 2002, 5.500%, 5/01/16 (Pre-refunded 5/01/12)       | 5/12 at<br>100.00  | Aa2 (4) | 1,332,210  |
| 935    | Detroit, Michigan, Senior Lien Sewerage Disposal System Revenue Bonds, Series 2003A, 5.000%, 7/01/17 (Pre-refunded 7/01/13) – AGM Insured                     | 7/13 at<br>100.00  | AA– (4) | 992,699    |
| 4,025  | Detroit, Michigan, Senior Lien Water Supply System Revenue Bonds, Series 2003A: 5.000%, 7/01/24 (Pre-refunded 7/01/13) – NPFPG Insured                        | 7/13 at<br>100.00  | A+ (4)  | 4,280,668  |
| 1,500  | 5.000%, 7/01/25 (Pre-refunded 7/01/13) – NPFPG Insured  | 7/13 at<br>100.00  | A+ (4)  | 1,595,280  |
| 285    | East Grand Rapids Public Schools, County of Kent, State of Michigan, General Obligation Bonds, Series 2001, Refunding, 5.125%, 5/01/29 (Pre-refunded 5/01/12) | 5/12 at<br>100.00  | AA (4)  | 287,451    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |  |                |         |           |
|-------|--|----------------|---------|-----------|
| 2,000 | Lake Fenton Community Schools, Genesee County, Michigan, General Obligation Bonds, Series 2002, 5.000%, 5/01/24 (Pre-refunded 5/01/12) | 5/12 at 100.00 | Aa2 (4) | 2,016,800 |
|-------|--|----------------|---------|-----------|

30 Nuveen Investments

---

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|---|---------------------------------------|-------------|--------------|
|                           | U.S. Guaranteed (4) (continued)   |                                       |             |              |
| \$ 1,790                  | Lansing Building Authority, Michigan, General Obligation Bonds, Series 2003A, 5.000%, 6/01/26 (Pre-refunded 6/01/13) – NPFPG Insured  | 6/13 at 100.00                        | AA (4)      | \$ 1,897,257 |
| 3,880                     | Mayville Community Schools, Tuscola County, Michigan, General Obligation Bonds, School Building and Site Project, Series 2004, 5.000%, 5/01/34 (Pre-refunded 11/01/14) – FGIC Insured | 11/14 at 100.00                       | Aa2 (4)     | 4,359,219    |
| 1,500                     | Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Henry Ford Health System, Series 2003A, 5.625%, 3/01/17 (Pre-refunded 3/01/13)                           | 3/13 at 100.00                        | A1 (4)      | 1,581,105    |
| 3,460                     | Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, St. John's Health System, Series 1998A, 5.000%, 5/15/28 – AMBAC Insured (ETM)                            | 4/12 at 100.00                        | Aaa         | 3,473,252    |
| 125                       | Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Trinity Health Credit Group, Series 2002C, 5.375%, 12/01/30 (Pre-refunded 12/01/12)                      | 12/12 at 100.00                       | N/R (4)     | 129,913      |
|                           | Michigan State Hospital Finance Authority, Revenue Bonds, Chelsea Community Hospital, Series 2005:  |                                       |             |              |
| 1,025                     | 5.000%, 5/15/30 (Pre-refunded 5/15/15)  | 5/15 at 100.00                        | AA+ (4)     | 1,170,079    |
| 500                       | 5.000%, 5/15/37 (Pre-refunded 5/15/15)  | 5/15 at 100.00                        | AA+ (4)     | 570,770      |
| 3,000                     | Michigan State, General Obligation Bonds, Environmental Protection Program, Series 2003A, 5.250%, 5/01/20 (Pre-refunded 5/01/13)  | 5/13 at 100.00                        | Aa2 (4)     | 3,176,850    |
|                           | Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E:   |                                       |             |              |
| 85                        | 6.000%, 8/01/26 (ETM)   | No Opt. Call                          | Baa2 (4)    | 122,582      |
| 915                       | 6.000%, 8/01/26 (ETM)   | No Opt. Call                          | AA+ (4)     | 1,319,558    |
| 4,100                     | Puerto Rico, Highway Revenue Bonds, Highway and Transportation Authority, Series 1996Y, 5.500%, 7/01/36 (Pre-refunded 7/01/16)  | 7/16 at 100.00                        | Aaa         | 5,011,389    |
| 31,645                    | Total U.S. Guaranteed Utilities – 9.8% (6.7% of Total Investments)  |                                       |             | 34,557,282   |
|                           | Lansing Board of Water and Light, Michigan, Steam and Electric Utility System Revenue Bonds, Series 2008A:  |                                       |             |              |
| 215                       | 5.000%, 7/01/28   | 7/18 at 100.00                        | AA–         | 236,324      |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|        |   |                    |      |            |
|--------|---|--------------------|------|------------|
| 5,000  | 5.000%, 7/01/32   | 7/18 at<br>100.00  | AA-  | 5,388,950  |
|        | Lansing Board of Water and Light, Michigan,<br>Utility System Revenue Bonds, Tender Option<br>Bond Trust 4700:  |                    |      |            |
| 900    | 17.710%, 7/01/37 (IF) (5)   | 7/21 at<br>100.00  | AA-  | 1,307,124  |
| 500    | 17.864%, 7/01/37 (IF) (5)   | 7/21 at<br>100.00  | AA-  | 726,180    |
| 500    | Michigan Public Power Agency, Revenue Bonds,<br>Combustion Turbine 1 Project, Series 2011,<br>5.000%, 1/01/26 – AGM Insured   | 1/21 at<br>100.00  | AA-  | 561,625    |
| 2,110  | Michigan South Central Power Agency, Power<br>Supply System Revenue Bonds, Series 2000,<br>6.000%, 5/01/12  | No Opt. Call       | BBB+ | 2,123,989  |
| 3,630  | Michigan Strategic Fund, Limited Obligation<br>Revenue Refunding Bonds, Detroit Edison<br>Company, Series 1991BB, 7.000%, 5/01/21 –<br>AMBAC Insured                                    | No Opt. Call       | A    | 4,743,031  |
| 3,000  | Michigan Strategic Fund, Limited Obligation<br>Revenue Refunding Bonds, Detroit Edison<br>Company, Series 2002C, 5.450%, 12/15/32 –<br>SYNCORA GTY Insured (Alternative Minimum<br>Tax) | 12/12 at<br>100.00 | BBB+ | 3,019,620  |
| 15,855 | Total Utilities<br>Water and Sewer – 13.8% (9.4% of Total<br>Investments)   |                    |      | 18,106,843 |
| 5,500  | Detroit Water Supply System, Michigan, Water<br>Supply System Revenue Senior Lien Bonds,<br>Series 2006A, 5.000%, 7/01/34 – AGM Insured   | 7/16 at<br>100.00  | AA-  | 5,616,765  |
| 1,500  | Detroit, Michigan, Senior Lien Sewerage Disposal<br>System Revenue Bonds, Series 2001B, 5.500%,<br>7/01/29 – FGIC Insured   | No Opt. Call       | A    | 1,694,085  |
| 565    | Detroit, Michigan, Senior Lien Sewerage Disposal<br>System Revenue Bonds, Series 2003A, 5.000%,<br>7/01/17 – AGM Insured  | 7/13 at<br>100.00  | AA-  | 587,346    |
| 1,500  | Detroit, Michigan, Senior Lien Water Supply<br>System Revenue Bonds, Series 2003A, 5.000%,<br>7/01/25 – NPFQ Insured  | 7/13 at<br>100.00  | A+   | 1,521,735  |
| 425    | Detroit, Michigan, Sewage Disposal System<br>Revenue Bonds, Second Lien Series 2006A,<br>5.500%, 7/01/36 – BHAC Insured   | 7/18 at<br>100.00  | AA+  | 469,493    |
| 2,915  | Detroit, Michigan, Water Supply System Revenue<br>Bonds, Senior Lien Series 2011A, 5.250%,<br>7/01/41   | 7/21 at<br>100.00  | A+   | 3,047,224  |
| 675    | Grand Rapids, Michigan, Sanitary Sewer System<br>Revenue Bonds, Series 2008, 5.000%, 1/01/38  | 1/18 at<br>100.00  | AA+  | 718,659    |

Nuveen Investments 31





NUM Nuveen Michigan Quality Income Municipal Fund, Inc. (continued)  
Portfolio of Investments  
February 29, 2012

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value          |
|---------------------------|---|---------------------------------------|-------------|----------------|
|                           | Water and Sewer (continued)   |                                       |             |                |
| \$ 2,030                  | Grand Rapids, Michigan, Water Supply System Revenue Bonds, Series 2009, 5.100%, 1/01/39 – AGC Insured         | 1/19 at 100.00                        | AA          | \$ 2,225,286   |
| 4,210                     | Michigan Municipal Bond Authority, Clean Water Revolving Fund Revenue Bonds, Series 2004, 5.000%, 10/01/19    | 10/14 at 100.00                       | AAA         | 4,660,975      |
| 1,150                     | Michigan Municipal Bond Authority, Drinking Water Revolving Fund Revenue Bonds, Series 2004, 5.000%, 10/01/23 | 10/14 at 100.00                       | AAA         | 1,269,439      |
| 1,000                     | Michigan Municipal Bond Authority, Water Revolving Fund Revenue Bonds, Series 2007, 5.000%, 10/01/24          | 10/17 at 100.00                       | AAA         | 1,147,440      |
| 1,000                     | Port Huron, Michigan, Water Supply System Revenue Bonds, Series 2011, 5.625%, 10/01/40                        | 10/21 at 100.00                       | A           | 1,085,580      |
| 1,000                     | Puerto Rico Aqueduct and Sewerage Authority, Revenue Bonds, Senior Lien Series 2008A, 6.000%, 7/01/44         | 7/18 at 100.00                        | Baa2        | 1,075,299      |
| 300                       | Saginaw, Michigan, Water Supply System Revenue Bonds, Series 2008, 5.250%, 7/01/22 – NPFPG Insured            | 7/18 at 100.00                        | A           | 331,034        |
| 23,770                    | Total Water and Sewer   |                                       |             | 25,450,360     |
| \$ 281,734                | Total Investments (cost \$249,582,684) – 147.2%   |                                       |             | 271,165,290    |
|                           | Floating Rate Obligations – (2.0)%  |                                       |             | (3,630,000)    |
|                           | Variable Rate MuniFund Term Preferred Shares, at Liquidation Value – (47.7)% (6)                              |                                       |             | (87,900,000)   |
|                           | Other Assets Less Liabilities – 2.5%  |                                       |             | 4,634,355      |
|                           | Net Assets Applicable to Common Shares – 100%   |                                       |             | \$ 184,269,645 |

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): 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 (not covered by the report of independent registered public accounting firm): 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)

Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, which ensure the timely payment of principal and interest. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities.

- (5) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
- (6) Variable Rate MuniFund Term Preferred Shares, at Liquidation Value as a percentage of Total Investments is 32.4%.
- N/R Not rated.
- WI/DD Purchased on a when-issued or delayed delivery basis.
- (ETM) Escrowed to maturity.
- (IF) Inverse floating rate investment.
- (UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Inverse Floating Rate Securities for more information.

See accompanying notes to financial statements.

NMP Nuveen Michigan Premium Income Municipal Fund, Inc.  
 Portfolio of Investments  
 February 29, 2012

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|---|---------------------------------------|-------------|--------------|
|                           | Consumer Staples – 3.5% (2.4% of Total Investments)   |                                       |             |              |
| \$ 4,420                  | Michigan Tobacco Settlement Finance Authority, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2008A, 6.875%, 6/01/42   | 6/18 at 100.00                        | B2          | \$ 4,140,523 |
|                           | Education and Civic Organizations – 4.1% (2.8% of Total Investments)  |                                       |             |              |
| 500                       | Conner Creek Academy East, Michigan, Public School Revenue Bonds, Series 2007, 5.250%, 11/01/36   | 11/16 at 100.00                       | BB–         | 384,410      |
| 500                       | Detroit Community High School, Michigan, Public School Academy Revenue Bonds, Series 2005, 5.750%, 11/01/30   | 11/15 at 100.00                       | B+          | 380,355      |
| 335                       | Michigan Finance Authority, Public School Academy Limited Obligation Revenue and Refunding Bonds, Detroit Service Learning Academy Project, Series 2011, 7.000%, 10/01/31 | 10/21 at 100.00                       | BBB–        | 348,239      |
| 2,000                     | Michigan Higher Education Student Loan Authority, Revenue Bonds, Series 2002 XVII-G, 5.200%, 9/01/20 – AMBAC Insured (Alternative Minimum Tax)                            | 9/12 at 100.00                        | AA          | 2,014,700    |
| 1,500                     | Michigan State University, General Revenue Bonds, Refunding Series 2010C, 5.000%, 2/15/40   | 2/20 at 100.00                        | Aa1         | 1,642,590    |
| 4,835                     | Total Education and Civic Organizations   |                                       |             | 4,770,294    |
|                           | Health Care – 21.2% (14.5% of Total Investments)  |                                       |             |              |
| 1,500                     | Grand Traverse County Hospital Financial Authority, Michigan, Revenue Bonds, Munson Healthcare, Refunding Series 2011A, 5.000%, 7/01/29                                   | 7/21 at 100.00                        | A1          | 1,599,600    |
| 630                       | Jackson County Hospital Finance Authority, Michigan, Hospital Revenue Bonds, Alligiance Health, Refunding Series 2010A, 5.000%, 6/01/37 – AGM Insured                     | 6/20 at 100.00                        | AA–         | 668,197      |
|                           | Kent Hospital Finance Authority, Michigan, Revenue Refunding Bonds, Spectrum Health System, Refunding Series 2011C:   |                                       |             |              |
| 2,000                     | 5.000%, 1/15/31   | 1/22 at 100.00                        | AA          | 2,205,580    |
| 750                       | 5.000%, 1/15/42   | No Opt. Call                          | AA          | 799,628      |
| 4,000                     |   | No Opt. Call                          | AA          | 4,238,920    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

Michigan Finance Authority, Revenue Bonds,  
Trinity Health Credit Group, Refunding Series  
2011, 5.000%, 12/01/39

|        |   |                    |      |            |
|--------|---|--------------------|------|------------|
| 2,725  | Michigan State Hospital Finance Authority,<br>Hospital Revenue Bonds, Henry Ford Health<br>System, Refunding Series 2009, 5.750%, 11/15/39  | 11/19 at<br>100.00 | A1   | 2,971,531  |
| 3,050  | Michigan State Hospital Finance Authority,<br>Hospital Revenue Bonds, Oakwood Obligated<br>Group, Series 2002A, 5.750%, 4/01/32   | 4/13 at<br>100.00  | A    | 3,112,891  |
| 1,350  | Michigan State Hospital Finance Authority,<br>Hospital Revenue Bonds, MidMichigan Obligated<br>Group, Series 2009A, 5.875%, 6/01/39 – AGC<br>Insured  | 6/19 at<br>100.00  | AA–  | 1,499,067  |
| 915    | Michigan State Hospital Finance Authority,<br>Hospital Revenue Refunding Bonds, Trinity<br>Health Credit Group, Series 2002C, 5.375%,<br>12/01/30   | 12/12 at<br>100.00 | AA   | 926,639    |
|        | Michigan State Hospital Finance Authority,<br>Revenue Bonds, Marquette General Hospital,<br>Series 2005A:   |                    |      |            |
| 2,435  | 5.000%, 5/15/26   | 5/15 at<br>100.00  | Baa3 | 2,451,315  |
| 200    | 5.000%, 5/15/34   | 5/15 at<br>100.00  | Baa3 | 192,712    |
| 3,500  | Royal Oak Hospital Finance Authority, Michigan,<br>Hospital Revenue and Refunding Bonds, William<br>Beaumont Hospital Obligated Group, Series<br>2009W, 6.000%, 8/01/39   | 8/19 at<br>100.00  | A1   | 3,861,690  |
| 250    | Royal Oak Hospital Finance Authority, Michigan,<br>Hospital Revenue Bonds, William Beaumont<br>Hospital, Refunding Series 2009V, 8.250%,<br>9/01/39   | 9/18 at<br>100.00  | A1   | 315,483    |
| 23,305 | Total Health Care   |                    |      | 24,843,253 |
|        | Housing/Multifamily – 6.4% (4.4% of Total<br>Investments)   |                    |      |            |
| 835    | Michigan Housing Development Authority,<br>GNMA Collateralized Limited Obligation<br>Multifamily Housing Revenue Bonds, Burkshire<br>Pointe Apartments, Series 2002A, 5.400%,<br>10/20/32 (Alternative Minimum Tax) | 4/12 at<br>102.00  | Aaa  | 852,168    |
| 1,130  | Michigan Housing Development Authority,<br>Limited Obligation Revenue Bonds, Breton<br>Village Green Project, Series 1993, 5.625%,<br>10/15/18 – AGM Insured  | 4/12 at<br>100.00  | AA–  | 1,132,204  |
| 1,700  | Michigan Housing Development Authority,<br>Limited Obligation Revenue Bonds, Walled Lake<br>Villa Project, Series 1993, 6.000%, 4/15/18 – AGM<br>Insured  | 4/12 at<br>100.00  | Aaa  | 1,704,556  |
| 1,260  | Michigan Housing Development Authority,<br>Multifamily Housing Revenue Bonds, Series<br>1988A, 3.375%, 11/01/16 (Alternative Minimum  | 11/14 at<br>101.00 | AA   | 1,279,921  |

Tax)

Nuveen Investments 33

---

NMP  
February 29, 2012

Nuveen Michigan Premium Income Municipal Fund, Inc. (continued)  
Portfolio of Investments

| Principal<br>Amount (000)       | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------------|---|---------------------------------------|-------------|------------|
| Housing/Multifamily (continued) |   |                                       |             |            |
| \$ 800                          | Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 2006D, 5.125%, 4/01/31 – AGM Insured (Alternative Minimum Tax)                 | 7/15 at 100.00                        | AA          | \$ 818,456 |
| 25                              | Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 2009A, 5.700%, 10/01/39  | 10/18 at 100.00                       | AA          | 26,693     |
|                                 | Mt. Clemens Housing Corporation, Michigan, FHA-Insured Section 8 Assisted Multifamily Housing Revenue Refunding Bonds, Clinton Place Project, Series 1992A: |                                       |             |            |
| 190                             | 6.600%, 6/01/13   | 6/12 at 100.00                        | AA+         | 190,916    |
| 1,500                           | 6.600%, 6/01/22   | 6/12 at 100.00                        | AA+         | 1,503,600  |
| 7,440                           | Total Housing/Multifamily Housing/Single Family – 0.9% (0.6% of Total Investments)  |                                       |             | 7,508,514  |
| 1,000                           | Michigan Housing Development Authority, Single Family Homeownership Revenue Bonds, Series 2010C, 5.500%, 12/01/28 (Alternative Minimum Tax)                 | 6/20 at 100.00                        | AA+         | 1,051,000  |
|                                 | Tax Obligation/General – 54.4% (37.3% of Total Investments)   |                                       |             |            |
| 1,475                           | Anchor Bay School District, Macomb and St. Clair Counties, Michigan, General Obligation Bonds, Series 2003, 5.000%, 5/01/21                                 | 11/13 at 100.00                       | Aa2         | 1,578,663  |
| 1,000                           | Ann Arbor, Michigan, General Obligation Bonds, Court & Police Facilities Capital Improvement Series 2008, 5.000%, 5/01/38                                   | 5/18 at 100.00                        | AA+         | 1,085,750  |
| 100                             | Battle Creek School District, Calhoun County, Michigan, General Obligation Bonds, Series 2007, 5.000%, 5/01/37 – AGM Insured                                | 5/17 at 100.00                        | Aa2         | 105,654    |
| 2,250                           | Caledonia Community Schools, Kent, Allegan and Barry Counties, Michigan, General Obligation Bonds, Series 2005, 5.000%, 5/01/26 – NCFG Insured              | 5/15 at 100.00                        | Aa2         | 2,379,645  |
| 1,501                           | Caledonia Community Schools, Kent, Allegan and Barry Counties, Michigan, General Obligation Bonds, Tender Option Bond Trust 2008-1096,                      | 5/17 at 100.00                        | Aa2         | 1,645,801  |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |   |                 |      |           |
|-------|---|-----------------|------|-----------|
|       | 7.934%, 5/01/32 – NPFG Insured (IF)   |                 |      |           |
| 1,050 | Comstock Park Public Schools, Kent County, Michigan, General Obligation Bonds, School Building & Site, Series 2011B, 5.500%, 5/01/36  | 5/21 at 100.00  | AA–  | 1,180,599 |
|       | Detroit City School District, Wayne County, Michigan, General Obligation Bonds, Series 2002A:   |                 |      |           |
| 1,815 | 6.000%, 5/01/20 – FGIC Insured  | No Opt. Call    | Aa2  | 2,160,413 |
| 750   | 6.000%, 5/01/21 – FGIC Insured  | No Opt. Call    | Aa2  | 897,413   |
| 2,500 | Detroit City School District, Wayne County, Michigan, General Obligation Bonds, Series 2003B, 5.000%, 5/01/23 – FGIC Insured          | 5/13 at 100.00  | Aa2  | 2,552,475 |
|       | Detroit-Wayne County Stadium Authority, Michigan, Limited Tax General Obligation Building Authority Stadium Bonds, Series 1997:       |                 |      |           |
| 770   | 5.500%, 2/01/17 – FGIC Insured  | 8/12 at 100.00  | BBB+ | 772,133   |
| 6,990 | 5.250%, 2/01/27 – FGIC Insured  | 8/12 at 100.00  | BBB+ | 7,000,415 |
| 860   | Grand Rapids, Michigan, General Obligation Bonds, Capital Improvement Series 2007, 5.000%, 9/01/24 – NPFG Insured                     | 9/17 at 100.00  | AA   | 955,537   |
| 1,650 | Holly Area School District, Oakland County, Michigan, General Obligation Bonds, Series 2006, 5.125%, 5/01/32 – NPFG Insured           | 5/16 at 100.00  | Aa2  | 1,745,667 |
| 2,000 | Howell Public Schools, Livingston County, Michigan, General Obligation Bonds, Series 2003, 5.000%, 5/01/22                            | 11/13 at 100.00 | Aa2  | 2,140,560 |
| 1,250 | Kalamazoo Public Schools, Michigan, General Obligation Bonds, Series 2006, 5.000%, 5/01/25 – AGM Insured                              | 5/16 at 100.00  | Aa2  | 1,372,413 |
| 500   | Lansing School District, Ingham County, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/22                              | 5/14 at 100.00  | Aa2  | 544,615   |
| 1,000 | Livonia Public Schools, Wayne County, Michigan, General Obligation Bonds, Series 2004A, 5.000%, 5/01/21 – NPFG Insured                | 5/14 at 100.00  | Aa2  | 1,069,510 |
| 865   | Lowell Area Schools, Kent and Ionia Counties, Michigan, General Obligation Bonds, Series 2007, 5.000%, 5/01/37 – AGM Insured          | 5/17 at 100.00  | Aa2  | 912,662   |
| 425   | Marshall Public Schools, Calhoun County, Michigan, General Obligation Bonds, Series 2007, 5.000%, 5/01/30 – SYNCORA GTY Insured       | 5/17 at 100.00  | AA–  | 456,255   |
| 1,000 | Michigan Municipal Bond Authority, General Obligation Bonds, Detroit City School District, Series 2005, 5.000%, 6/01/18 – AGM Insured | 6/15 at 100.00  | AA–  | 1,058,330 |
| 2,500 | Michigan State, General Obligation Bonds, Environmental Program, Refunding Series 2011A, 5.000%, 12/01/22                             | 12/21 at 100.00 | Aa2  | 3,040,650 |

34 Nuveen Investments

---



Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------|---|---------------------------------------|-------------|------------|
|                           | Tax Obligation/General (continued)  |                                       |             |            |
| \$ 800                    | Michigan State, General Obligation Bonds, Environmental Program, Series 2009A, 5.500%, 11/01/25   | 5/19 at 100.00                        | Aa2         | \$ 945,600 |
| 2,450                     | Oakland Intermediate School District, Oakland County, Michigan, General Obligation Bonds, Series 2007, 5.000%, 5/01/36 – AGM Insured                | 5/17 at 100.00                        | Aaa         | 2,605,085  |
| 3,500                     | Ottawa County, Michigan, Water Supply System, General Obligation Bonds, Series 2007, 5.000%, 8/01/30 – NPMFG Insured (UB)                           | 8/17 at 100.00                        | Aaa         | 3,799,460  |
| 1,100                     | Oxford Area Community Schools, Oakland and Lapeer Counties, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/25 – AGM Insured          | 5/14 at 100.00                        | Aa2         | 1,145,859  |
| 805                       | Parchment School District, Kalamazoo County, Michigan, General Obligation Bonds, Tender Option Bond Trust 2836, 11.197%, 5/01/15 – AGM Insured (IF) | No Opt. Call                          | Aa2         | 891,570    |
| 1,000                     | Rockford Public Schools, Kent County, Michigan, General Obligation Bonds, Series 2005, 5.000%, 5/01/27 – AGM Insured                                | 5/15 at 100.00                        | Aa2         | 1,092,000  |
| 1,000                     | Rockford Public Schools, Kent County, Michigan, General Obligation Bonds, Series 2008, 5.000%, 5/01/33 – AGM Insured                                | 5/18 at 100.00                        | Aa2         | 1,075,380  |
| 125                       | South Haven, Van Buren County, Michigan, General Obligation Bonds, Capital Improvement Series 2009, 5.125%, 12/01/33 – AGC Insured                  | 12/19 at 100.00                       | AA–         | 142,003    |
| 1,100                     | Thornapple Kellogg School District, Barry County, Michigan, General Obligation Bonds, Series 2007, 5.000%, 5/01/32 – NPMFG Insured                  | 5/17 at 100.00                        | Aa2         | 1,171,236  |
| 1,500                     | Trenton Public Schools District, Michigan, General Obligation Bonds, Series 2008, 5.000%, 5/01/34 – AGM Insured                                     | 5/18 at 100.00                        | Aa2         | 1,607,940  |
|                           | Van Dyke Public Schools, Macomb County, Michigan, General Obligation Bonds, School Building and Site, Series 2008:                                  |                                       |             |            |
| 800                       | 5.000%, 5/01/31 – AGM Insured   | 5/18 at 100.00                        | Aa2         | 863,064    |
| 1,350                     | 5.000%, 5/01/38 – AGM Insured   | 5/18 at 100.00                        | Aa2         | 1,435,644  |
| 2,830                     | Warren Consolidated School District, Macomb and Oakland Counties, Michigan, General Obligation Refunding Bonds, Series 2003, 5.250%, 5/01/20        | 5/13 at 100.00                        | AA          | 2,926,220  |
| 1,680                     |   |                                       | BBB+        | 1,897,442  |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|        |  |                    |      |            |
|--------|--|--------------------|------|------------|
|        | Wayne Charter County, Michigan, General<br>Obligation Bonds, Building Improvements, Series<br>2009A, 6.750%, 11/01/39  | 12/19 at<br>100.00 |      |            |
|        | Wayne Charter County, Michigan, Limited Tax<br>General Obligation Airport Hotel Revenue Bonds,<br>Detroit Metropolitan Wayne County Airport,<br>Series 2001A:      |                    |      |            |
| 1,500  | 5.500%, 12/01/18 – NPFPG Insured   | 12/12 at<br>100.00 | BBB+ | 1,518,030  |
| 4,435  | 5.000%, 12/01/30 – NPFPG Insured   | 12/12 at<br>100.00 | BBB+ | 4,448,837  |
| 1,475  | Willow Run Community Schools, Washtenaw<br>County, Michigan, General Obligation Bonds,<br>Refunding Series 2011, 4.500%, 5/01/31 – AGM<br>Insured                  | 5/21 at<br>100.00  | AA–  | 1,552,511  |
| 59,701 | Total Tax Obligation/General<br>Tax Obligation/Limited – 12.4% (8.5% of Total<br>Investments)  |                    |      | 63,773,041 |
| 915    | Government of Guam, Business Privilege Tax<br>Bonds, Series 2011A, 5.125%, 1/01/42   | 1/22 at<br>100.00  | A    | 993,736    |
| 1,600  | Michigan State Building Authority, Revenue<br>Bonds, Facilities Program, Series 2005II, 5.000%,<br>10/15/30 – AMBAC Insured  | 10/15 at<br>100.00 | Aa3  | 1,681,312  |
| 2,880  | Michigan State Building Authority, Revenue<br>Bonds, Refunding Series 2006IA, 5.000%,<br>10/15/36 – FGIC Insured   | 10/16 at<br>100.00 | Aa3  | 3,019,651  |
|        | Michigan State Building Authority, Revenue<br>Refunding Bonds, Facilities Program, Series<br>2003II:   |                    |      |            |
| 5,000  | 5.000%, 10/15/22 – NPFPG Insured   | 10/13 at<br>100.00 | Aa3  | 5,228,250  |
| 2,480  | 5.000%, 10/15/23 – NPFPG Insured   | 10/13 at<br>100.00 | Aa3  | 2,590,286  |
| 450    | Michigan State Trunk Line Fund Refunding<br>Bonds, Series 2009, 5.000%, 11/15/36   | 11/21 at<br>100.00 | AA+  | 507,713    |
| 450    | Virgin Islands Public Finance Authority, Revenue<br>Bonds, Senior Lien Matching Fund Loan Notes,<br>Series 2009A-1, 5.000%, 10/01/39                               | 10/19 at<br>100.00 | BBB  | 459,234    |
| 13,775 | Total Tax Obligation/Limited<br>Transportation – 2.1% (1.4% of Total Investments)  |                    |      | 14,480,182 |
| 230    | Kent County, Michigan, Airport Revenue Bonds,<br>Gerald R. Ford International Airport, Series 2007,<br>5.000%, 1/01/32   | 1/17 at<br>100.00  | AAA  | 246,017    |
| 2,000  | Wayne County Airport Authority, Michigan,<br>Revenue Bonds, Detroit Metropolitan Airport,<br>Refunding Series 2011A, 5.000%, 12/01/21<br>(Alternative Minimum Tax) | No Opt. Call       | A    | 2,223,480  |
| 2,230  | Total Transportation   |                    |      | 2,469,497  |



NMP  
February 29, 2012

Nuveen Michigan Premium Income Municipal Fund, Inc. (continued)  
Portfolio of Investments

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|---|---------------------------------------|-------------|--------------|
|                           | U.S. Guaranteed – 8.6% (5.9% of Total Investments) (4)  |                                       |             |              |
| \$ 915                    | Detroit, Michigan, Second Lien Sewerage Disposal System Revenue Bonds, Series 2005A, 5.000%, 7/01/30 (Pre-refunded 7/01/15) – NPMFG Insured                           | 7/15 at 100.00                        | A (4)       | \$ 1,047,062 |
| 500                       | Lansing School District, Ingham County, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/22 (Pre-refunded 5/01/14)                                       | 5/14 at 100.00                        | Aa2 (4)     | 550,935      |
| 1,500                     | Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Henry Ford Health System, Series 2003A, 5.625%, 3/01/17 (Pre-refunded 3/01/13)           | 3/13 at 100.00                        | A1 (4)      | 1,581,105    |
| 1,305                     | Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, St. John's Hospital, Series 1992A, 6.000%, 5/15/13 – AMBAC Insured (ETM)                 | 4/12 at 100.00                        | N/R (4)     | 1,347,856    |
| 85                        | Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Trinity Health Credit Group, Series 2002C, 5.375%, 12/01/30 (Pre-refunded 12/01/12)      | 12/12 at 100.00                       | N/R (4)     | 88,341       |
|                           | Michigan State Hospital Finance Authority, Revenue Bonds, Chelsea Community Hospital, Series 2005:  |                                       |             |              |
| 425                       | 5.000%, 5/15/25 (Pre-refunded 5/15/15)  | 5/15 at 100.00                        | AA+ (4)     | 485,155      |
| 150                       | 5.000%, 5/15/30 (Pre-refunded 5/15/15)  | 5/15 at 100.00                        | AA+ (4)     | 171,231      |
| 2,000                     | Michigan State, General Obligation Bonds, Environmental Protection Program, Series 2003A, 5.250%, 5/01/21 (Pre-refunded 5/01/13)                                      | 5/13 at 100.00                        | Aa2 (4)     | 2,117,900    |
| 1,000                     | Otsego Public Schools District, Allegan and Kalamazoo Counties, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/25 (Pre-refunded 5/01/14) – AGM Insured | 5/14 at 100.00                        | Aa2 (4)     | 1,101,870    |
| 1,425                     | Walled Lake Consolidated School District, Oakland County, Michigan, General Obligation Bonds, Series 2004, 5.250%, 5/01/20 (Pre-refunded 5/01/14) – NPMFG Insured     | 5/14 at 100.00                        | AA– (4)     | 1,577,874    |
| 9,305                     | Total U.S. Guaranteed Utilities – 12.4% (8.5% of Total Investments)   |                                       |             | 10,069,329   |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|  |   |              |                    |      |            |
|--|---|--------------|--------------------|------|------------|
| Lansing Board of Water and Light, Michigan,<br>Steam and Electric Utility System Revenue<br>Bonds, Series 2008A: |   |              |                    |      |            |
| 125  | 5.000%, 7/01/28   |              | 7/18 at<br>100.00  | AA-  | 137,398    |
| 2,500  | 5.000%, 7/01/32   |              | 7/18 at<br>100.00  | AA-  | 2,694,475  |
| Lansing Board of Water and Light, Michigan,<br>Utility System Revenue Bonds, Tender Option<br>Bond Trust 4700:   |   |              |                    |      |            |
| 700  | 17.710%, 7/01/37 (IF) (5)   |              | 7/21 at<br>100.00  | AA-  | 1,016,652  |
| 360  | 17.864%, 7/01/37 (IF) (5)   |              | 7/21 at<br>100.00  | AA-  | 522,850    |
| Michigan Public Power Agency, Revenue Bonds,<br>Combustion Turbine 1 Project, Series 2011:                       |   |              |                    |      |            |
| 1,760  | 5.000%, 1/01/24 – AGM Insured   |              | 1/21 at<br>100.00  | AA-  | 1,998,515  |
| 1,990  | 5.000%, 1/01/25 – AGM Insured   |              | 1/21 at<br>100.00  | AA-  | 2,248,262  |
| 1,180  | 5.000%, 1/01/26 – AGM Insured   |              | 1/21 at<br>100.00  | AA-  | 1,325,435  |
| 605  | Michigan South Central Power Agency, Power<br>Supply System Revenue Bonds, Series 2000,<br>6.000%, 5/01/12  | No Opt. Call |                    | BBB+ | 609,011    |
| 3,000  | Michigan Strategic Fund, Limited Obligation<br>Revenue Refunding Bonds, Detroit Edison<br>Company, Series 2002C, 5.450%, 12/15/32 –<br>SYNCORA GTY Insured (Alternative Minimum<br>Tax)                                   |              | 12/12 at<br>100.00 | BBB+ | 3,019,620  |
| 990  | Puerto Rico Industrial, Tourist, Educational,<br>Medical and Environmental Control Facilities<br>Financing Authority, Co-Generation Facility<br>Revenue Bonds, Series 2000A, 6.625%, 6/01/26<br>(Alternative Minimum Tax) |              | 6/12 at<br>100.00  | Ba1  | 989,881    |
| 13,210   | Total Utilities<br>Water and Sewer – 20.0% (13.7% of Total<br>Investments)  |              |                    |      | 14,562,099 |
| 3,600  | Detroit Water Supply System, Michigan, Water<br>Supply System Revenue Senior Lien Bonds,<br>Series 2006A, 5.000%, 7/01/34 – AGM Insured   |              | 7/16 at<br>100.00  | AA-  | 3,676,428  |
| 1,085  | Detroit, Michigan, Second Lien Sewerage<br>Disposal System Revenue Bonds, Series 2005A,<br>5.000%, 7/01/30 – NPFQ Insured   |              | 7/15 at<br>100.00  | A    | 1,107,481  |
| 1,500  | Detroit, Michigan, Senior Lien Sewerage Disposal<br>System Revenue Bonds, Series 2001B, 5.500%,<br>7/01/29 – FGIC Insured   | No Opt. Call |                    | A    | 1,694,085  |
| 1,120  | Detroit, Michigan, Senior Lien Sewerage Disposal<br>System Revenue Bonds, Series 2003A, 5.000%,<br>7/01/17 – AGM Insured  |              | 7/13 at<br>100.00  | AA-  | 1,164,296  |
| 1,945  |   |              |                    | A+   | 2,033,225  |

|       |  |                |     |           |
|-------|--|----------------|-----|-----------|
|       | Detroit, Michigan, Water Supply System Revenue Bonds, Senior Lien Series 2011A, 5.250%, 7/01/41          | 7/21 at 100.00 |     |           |
| 1,330 | Grand Rapids, Michigan, Sanitary Sewer System Revenue Bonds, Series 2005, 5.000%, 1/01/30 – NCFG Insured | 7/15 at 100.00 | AA+ | 1,402,379 |

36 Nuveen Investments

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value          |
|---------------------------|--|---------------------------------------|-------------|----------------|
|                           | Water and Sewer (continued)  |                                       |             |                |
|                           | Grand Rapids, Michigan, Sanitary Sewer System<br>Revenue Bonds, Series 2008:                                   |                                       |             |                |
| \$ 400                    | 5.000%, 1/01/27  | No Opt. Call                          | AA+         | \$ 442,204     |
| 450                       | 5.000%, 1/01/38  | 1/18 at<br>100.00                     | AA+         | 479,106        |
| 425                       | Grand Rapids, Michigan, Water Supply System<br>Revenue Bonds, Series 2009, 5.100%, 1/01/39 –<br>AGC Insured    | 1/19 at<br>100.00                     | AA          | 465,885        |
| 1,000                     | Michigan Municipal Bond Authority, Water<br>Revolving Fund Revenue Bonds, Series 2007,<br>5.000%, 10/01/24     | 10/17 at<br>100.00                    | AAA         | 1,147,440      |
| 8,245                     | North Kent Sewer Authority, Michigan, Sewer<br>Revenue Bonds, Series 2006, 5.000%, 11/01/31 –<br>NPFPG Insured | 11/16 at<br>100.00                    | Aa3         | 8,841,361      |
| 500                       | Port Huron, Michigan, Water Supply System<br>Revenue Bonds, Series 2011, 5.625%, 10/01/40                      | 10/21 at<br>100.00                    | A           | 542,790        |
| 350                       | Saginaw, Michigan, Water Supply System<br>Revenue Bonds, Series 2008, 5.250%, 7/01/22 –<br>NPFPG Insured       | 7/18 at<br>100.00                     | A           | 386,201        |
| 21,950                    | Total Water and Sewer  |                                       |             | 23,382,881     |
| \$ 161,171                | Total Investments (cost \$160,910,760) – 146.0%  |                                       |             | 171,050,613    |
|                           | Floating Rate Obligations – (2.0)%   |                                       |             | (2,330,000)    |
|                           | Variable Rate MuniFund Term Preferred Shares,<br>at Liquidation Value – (46.0)% (6)                            |                                       |             | (53,900,000)   |
|                           | Other Assets Less Liabilities – 2.0%   |                                       |             | 2,334,386      |
|                           | Net Assets Applicable to Common Shares – 100%  |                                       |             | \$ 117,154,999 |

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): 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 (not covered by the report of independent registered public accounting firm): 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) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, which ensure the timely payment of principal and interest. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities.
- (5) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.

- (6) Variable Rate MuniFund Term Preferred Shares, at Liquidation Value as a percentage of Total Investments is 31.5%.
- N/R Not rated.
- (ETM) Escrowed to maturity.
- (IF) Inverse floating rate investment.
- (UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Inverse Floating Rate Securities for more information.

See accompanying notes to financial statements.

Nuveen Investments 37

---



NZW Nuveen Michigan Dividend Advantage Municipal Fund  
Portfolio of Investments

February 29, 2012

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|---|---------------------------------------|-------------|--------------|
|                           | Consumer Staples – 4.0% (2.7% of Total Investments)   |                                       |             |              |
| \$ 1,330                  | Michigan Tobacco Settlement Finance Authority, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2008A, 6.875%, 6/01/42   | 6/18 at 100.00                        | B2          | \$ 1,245,904 |
|                           | Education and Civic Organizations – 10.4% (6.9% of Total Investments)   |                                       |             |              |
| 250                       | Conner Creek Academy East, Michigan, Public School Revenue Bonds, Series 2007, 5.250%, 11/01/36   | 11/16 at 100.00                       | BB–         | 192,205      |
| 85                        | Michigan Finance Authority, Public School Academy Limited Obligation Revenue and Refunding Bonds, Detroit Service Learning Academy Project, Series 2011, 7.000%, 10/01/31 | 10/21 at 100.00                       | BBB–        | 88,359       |
| 1,150                     | Michigan Higher Education Facilities Authority, Limited Obligation Revenue Refunding Bonds, Kettering University, Series 2001, 5.000%, 9/01/26 – AMBAC Insured            | 9/12 at 100.00                        | N/R         | 1,090,833    |
| 250                       | Michigan Public Educational Facilities Authority, Charter School Revenue Bonds, American Montessori Academy, Series 2007, 6.500%, 12/01/37                                | 12/17 at 100.00                       | N/R         | 230,410      |
| 1,500                     | Michigan State University, General Revenue Bonds, Refunding Series 2010C, 5.000%, 2/15/40   | 2/20 at 100.00                        | Aa1         | 1,642,590    |
| 3,235                     | Total Education and Civic Organizations   |                                       |             | 3,244,397    |
|                           | Health Care – 20.6% (13.7% of Total Investments)  |                                       |             |              |
| 500                       | Grand Traverse County Hospital Financial Authority, Michigan, Revenue Bonds, Munson Healthcare, Refunding Series 2011A, 5.000%, 7/01/29                                   | 7/21 at 100.00                        | A1          | 533,200      |
| 90                        | Jackson County Hospital Finance Authority, Michigan, Hospital Revenue Bonds, Alligiance Health, Refunding Series 2010A, 5.000%, 6/01/37 – AGM Insured                     | 6/20 at 100.00                        | AA–         | 95,457       |
|                           | Kent Hospital Finance Authority, Michigan, Revenue Refunding Bonds, Spectrum Health System, Refunding Series 2011C:   |                                       |             |              |
| 500                       | 5.000%, 1/15/31   | 1/22 at 100.00                        | AA          | 551,395      |
| 500                       | 5.000%, 1/15/42   | No Opt. Call                          | AA          | 533,085      |
| 1,000                     |   | No Opt. Call                          | AA          | 1,059,730    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

Michigan Finance Authority, Revenue Bonds,  
Trinity Health Credit Group, Refunding Series  
2011, 5.000%, 12/01/39

Michigan State Hospital Finance Authority,  
Hospital Revenue Bonds, Henry Ford Health  
System, Refunding Series 2009:

|       |  |                    |      |           |
|-------|--|--------------------|------|-----------|
| 150   | 5.000%, 11/15/20   | 11/19 at<br>100.00 | A1   | 170,543   |
| 475   | 5.750%, 11/15/39   | 11/19 at<br>100.00 | A1   | 517,973   |
| 775   | Michigan State Hospital Finance Authority,<br>Hospital Revenue Bonds, Oakwood Obligated<br>Group, Series 2002A, 5.750%, 4/01/32                      | 4/13 at<br>100.00  | A    | 790,981   |
| 150   | Michigan State Hospital Finance Authority,<br>Hospital Revenue Bonds, MidMichigan Obligated<br>Group, Series 2009A, 5.875%, 6/01/39 – AGC<br>Insured | 6/19 at<br>100.00  | AA–  | 166,563   |
| 80    | Michigan State Hospital Finance Authority,<br>Hospital Revenue Refunding Bonds, McLaren<br>Healthcare Corporation, Series 1998A, 5.000%,<br>6/01/28  | No Opt. Call       | Aa3  | 80,054    |
| 915   | Michigan State Hospital Finance Authority,<br>Hospital Revenue Refunding Bonds, Trinity<br>Health Credit Group, Series 2002C, 5.375%,<br>12/01/30    | 12/12 at<br>100.00 | AA   | 926,639   |
|       | Michigan State Hospital Finance Authority,<br>Revenue Bonds, Marquette General Hospital,<br>Series 2005A:  |                    |      |           |
| 500   | 5.000%, 5/15/26  | 5/15 at<br>100.00  | Baa3 | 503,350   |
| 400   | 5.000%, 5/15/34  | 5/15 at<br>100.00  | Baa3 | 385,424   |
| 100   | Royal Oak Hospital Finance Authority, Michigan,<br>Hospital Revenue Bonds, William Beaumont<br>Hospital, Refunding Series 2009V, 8.250%,<br>9/01/39  | 9/18 at<br>100.00  | A1   | 126,193   |
| 6,135 | Total Health Care  |                    |      | 6,440,587 |

38 Nuveen Investments

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|---|---------------------------------------|-------------|--------------|
|                           | <b>Housing/Multifamily – 7.8% (5.2% of Total Investments)</b>   |                                       |             |              |
| \$ 1,700                  | Michigan Housing Development Authority, GNMA Collateralized Limited Obligation Multifamily Housing Revenue Bonds, Cranbrook Apartments, Series 2001A, 5.400%, 2/20/31 (Alternative Minimum Tax) | 8/12 at 102.00                        | Aaa         | \$ 1,739,950 |
| 370                       | Michigan Housing Development Authority, Multifamily Housing Revenue Bonds, Series 1988A, 3.375%, 11/01/16 (Alternative Minimum Tax)   | 11/14 at 101.00                       | AA          | 375,850      |
| 200                       | Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 2006D, 5.125%, 4/01/31 – AGM Insured (Alternative Minimum Tax)   | 7/15 at 100.00                        | AA          | 204,614      |
| 100                       | Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 2009A, 5.700%, 10/01/39  | 10/18 at 100.00                       | AA          | 106,772      |
| 2,370                     | Total Housing/Multifamily   |                                       |             | 2,427,186    |
|                           | <b>Housing/Single Family – 3.2% (2.2% of Total Investments)</b>   |                                       |             |              |
| 500                       | Michigan Housing Development Authority, Single Family Homeownership Revenue Bonds, Series 2010C, 5.500%, 12/01/28 (Alternative Minimum Tax)   | 6/20 at 100.00                        | AA+         | 525,500      |
| 455                       | Michigan Housing Development Authority, Single Family Homeownership Revenue Bonds, Series 2011A, 4.600%, 12/01/26   | 6/21 at 100.00                        | AA+         | 487,928      |
| 955                       | Total Housing/Single Family   |                                       |             | 1,013,428    |
|                           | <b>Industrials – 1.6% (1.1% of Total Investments)</b>   |                                       |             |              |
| 500                       | Michigan Strategic Fund, Limited Obligation Revenue Bonds, Republic Services Inc., Series 2001, 4.250%, 8/01/31 (Mandatory put 4/01/14) (Alternative Minimum Tax)                               | No Opt. Call                          | BBB         | 512,705      |
|                           | <b>Tax Obligation/General – 37.6% (25.1% of Total Investments)</b>  |                                       |             |              |
| 200                       | Ann Arbor, Michigan, General Obligation Bonds, Court & Police Facilities Capital Improvement Series 2008, 5.000%, 5/01/38   | 5/18 at 100.00                        | AA+         | 217,150      |
| 500                       | Byron Center Public Schools, Kent County, Michigan, General Obligation Bonds, Series 2012, 4.000%, 5/01/33  | 5/21 at 100.00                        | AA–         | 503,305      |
| 437                       | Caledonia Community Schools, Kent, Allegan and Barry Counties, Michigan, General Obligation Bonds, Tender Option Bond Trust 2008-1096,  | 5/17 at 100.00                        | Aa2         | 479,157      |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

7.934%, 5/01/32 – NPFPG Insured (IF)

Comstock Park Public Schools, Kent County,  
Michigan, General Obligation Bonds, School  
Building & Site, Series 2011B:

|       |   |                    |      |           |
|-------|---|--------------------|------|-----------|
| 150   | 5.500%, 5/01/36   | 5/21 at<br>100.00  | AA-  | 168,657   |
| 290   | 5.500%, 5/01/41   | 5/21 at<br>100.00  | AA-  | 325,595   |
| 50    | Detroit-Wayne County Stadium Authority,<br>Michigan, Limited Tax General Obligation<br>Building Authority Stadium Bonds, Series 1997,<br>5.500%, 2/01/17 – FGIC Insured | 8/12 at<br>100.00  | BBB+ | 50,139    |
| 300   | Grand Rapids, Michigan, General Obligation<br>Bonds, Capital Improvement Series 2007, 5.000%,<br>9/01/27 – NPFPG Insured  | 9/17 at<br>100.00  | AA   | 329,091   |
| 500   | Jackson Public Schools, Jackson County,<br>Michigan, General Obligation School Building<br>and Site Bonds, Series 2004, 5.000%, 5/01/22 –<br>AGM Insured                | 5/14 at<br>100.00  | Aa2  | 544,615   |
| 430   | Lowell Area Schools, Kent and Ionia Counties,<br>Michigan, General Obligation Bonds, Series 2007,<br>5.000%, 5/01/37 – AGM Insured                                      | 5/17 at<br>100.00  | Aa2  | 453,693   |
| 400   | Michigan Municipal Bond Authority, General<br>Obligation Bonds, Detroit City School District,<br>Series 2005, 5.000%, 6/01/18 – AGM Insured                             | 6/15 at<br>100.00  | AA-  | 423,332   |
| 500   | Michigan State, General Obligation Bonds,<br>Environmental Program, Refunding Series 2011A,<br>5.000%, 12/01/22   | 12/21 at<br>100.00 | Aa2  | 608,130   |
| 100   | Michigan State, General Obligation Bonds,<br>Environmental Program, Series 2009A, 5.500%,<br>11/01/25   | 5/19 at<br>100.00  | Aa2  | 118,200   |
| 1,410 | New Haven Community Schools, Macomb<br>County, Michigan, General Obligation Bonds,<br>Series 2006, 5.000%, 5/01/25 – AGM Insured  | 5/16 at<br>100.00  | Aa2  | 1,530,076 |
| 420   | Oakland Intermediate School District, Oakland<br>County, Michigan, General Obligation Bonds,<br>Series 2007, 5.000%, 5/01/36 – AGM Insured                              | 5/17 at<br>100.00  | Aaa  | 446,586   |
| 1,000 | Ottawa County, Michigan, Water Supply System,<br>General Obligation Bonds, Series 2007, 5.000%,<br>8/01/30 – NPFPG Insured (UB)   | 8/17 at<br>100.00  | Aaa  | 1,085,560 |

Nuveen Investments 39

NZW  
February 29, 2012

Nuveen Michigan Dividend Advantage Municipal Fund (continued)  
Portfolio of Investments

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------|--|---------------------------------------|-------------|------------|
|                           | Tax Obligation/General (continued)   |                                       |             |            |
| \$ 235                    | Parchment School District, Kalamazoo County, Michigan, General Obligation Bonds, Tender Option Bond Trust 2836, 11.197%, 5/01/15 – AGM Insured (IF)                                  | No Opt. Call                          | Aa2         | \$ 260,272 |
| 750                       | Plainwell Community Schools, Allegan County, Michigan, General Obligation Bonds, School Building & Site, Series 2008, 5.000%, 5/01/28 – AGC Insured                                  | 5/18 at<br>100.00                     | Aa2         | 822,615    |
| 200                       | Rockford Public Schools, Kent County, Michigan, General Obligation Bonds, Refunding Series 2012, 5.000%, 5/01/19   | No Opt. Call                          | AA–         | 239,588    |
| 100                       | Rockford Public Schools, Kent County, Michigan, General Obligation Bonds, Series 2008, 5.000%, 5/01/33 – AGM Insured   | 5/18 at<br>100.00                     | Aa2         | 107,538    |
| 25                        | South Haven, Van Buren County, Michigan, General Obligation Bonds, Capital Improvement Series 2009, 5.125%, 12/01/33 – AGC Insured   | 12/19 at<br>100.00                    | AA–         | 28,401     |
| 330                       | Thornapple Kellogg School District, Barry County, Michigan, General Obligation Bonds, Series 2007, 5.000%, 5/01/32 – NPFG Insured  | 5/17 at<br>100.00                     | Aa2         | 351,371    |
| 100                       | Trenton Public Schools District, Michigan, General Obligation Bonds, Series 2008, 5.000%, 5/01/34 – AGM Insured  | 5/18 at<br>100.00                     | Aa2         | 107,196    |
| 225                       | Van Dyke Public Schools, Macomb County, Michigan, General Obligation Bonds, School Building and Site, Series 2008, 5.000%, 5/01/38 – AGM Insured                                     | 5/18 at<br>100.00                     | Aa2         | 239,274    |
| 65                        | Wayne Charter County, Michigan, General Obligation Bonds, Building Improvements, Series 2009A, 6.750%, 11/01/39  | 12/19 at<br>100.00                    | BBB+        | 73,413     |
| 1,690                     | Wayne Charter County, Michigan, Limited Tax General Obligation Airport Hotel Revenue Bonds, Detroit Metropolitan Wayne County Airport, Series 2001A, 5.000%, 12/01/30 – NPFG Insured | 12/12 at<br>100.00                    | BBB+        | 1,695,273  |
| 500                       | Wayne Westland Community Schools, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/17 – AGM Insured   | 11/14 at<br>100.00                    | Aa2         | 555,615    |
| 10,907                    | Total Tax Obligation/General   |                                       |             | 11,763,842 |
|                           | Tax Obligation/Limited – 19.7% (13.1% of Total Investments)  |                                       |             |            |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |   |                 |     |           |
|-------|---|-----------------|-----|-----------|
| 110   | Atlanta, Georgia, Tax Allocation Bonds, Eastside Project, Series 2005A, 5.625%, 1/01/16 (Alternative Minimum Tax)   | No Opt. Call    | A-  | 117,622   |
| 265   | Government of Guam, Business Privilege Tax Bonds, Series 2011A, 5.125%, 1/01/42   | 1/22 at 100.00  | A   | 287,803   |
|       | Grand Rapids Building Authority, Kent County, Michigan, General Obligation Bonds, Refunding Series 2011:  |                 |     |           |
| 560   | 5.000%, 10/01/28  | 10/21 at 100.00 | AA  | 624,764   |
| 500   | 5.000%, 10/01/30  | 10/21 at 100.00 | AA  | 551,415   |
| 500   | 5.000%, 10/01/31  | 10/21 at 100.00 | AA  | 548,455   |
| 485   | Kalkaska County Hospital Authority, Michigan, Hospital Revenue Bonds, Series 2007, 5.125%, 5/01/14  | No Opt. Call    | N/R | 500,472   |
|       | Michigan State Building Authority, Revenue Bonds, Refunding Series 2006IA:  |                 |     |           |
| 1,520 | 0.000%, 10/15/28 – AGM Insured  | 10/16 at 55.35  | AA- | 690,202   |
| 720   | 5.000%, 10/15/36 – FGIC Insured   | 10/16 at 100.00 | Aa3 | 754,913   |
|       | Michigan State Trunk Line Fund Refunding Bonds, Series 2009:  |                 |     |           |
| 1,160 | 4.000%, 11/15/32  | 11/21 at 100.00 | AA+ | 1,209,787 |
| 150   | 5.000%, 11/15/36  | 11/21 at 100.00 | AA+ | 169,238   |
| 700   | Virgin Islands Public Finance Authority, Revenue Bonds, Senior Lien Matching Fund Loan Notes, Series 2009A-1, 5.000%, 10/01/39                            | 10/19 at 100.00 | BBB | 714,364   |
| 6,670 | Total Tax Obligation/Limited Transportation – 2.6% (1.7% of Total Investments)  |                 |     | 6,169,035 |
| 250   | Wayne County Airport Authority, Michigan, Revenue Bonds, Detroit Metropolitan Airport, Refunding Series 2007, 5.000%, 12/01/12 – FGIC Insured             | No Opt. Call    | A   | 257,408   |
| 500   | Wayne County Airport Authority, Michigan, Revenue Bonds, Detroit Metropolitan Airport, Refunding Series 2011A, 5.000%, 12/01/21 (Alternative Minimum Tax) | No Opt. Call    | A   | 555,870   |
| 750   | Total Transportation  |                 |     | 813,278   |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|--|---------------------------------------|-------------|--------------|
|                           | U.S. Guaranteed – 12.0% (8.0% of Total Investments) (4)  |                                       |             |              |
| \$ 1,000                  | Detroit City School District, Wayne County, Michigan, Unlimited Tax School Building and Site Improvement Bonds, Series 2001A, 5.500%, 5/01/21 (Pre-refunded 5/01/12) – AGM Insured | 5/12 at 100.00                        | Aa2 (4)     | \$ 1,009,250 |
| 720                       | Detroit, Michigan, Senior Lien Sewerage Disposal System Revenue Bonds, Series 2003A, 5.000%, 7/01/17 (Pre-refunded 7/01/13) – AGM Insured  | 7/13 at 100.00                        | AA– (4)     | 764,431      |
| 85                        | Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Trinity Health Credit Group, Series 2002C, 5.375%, 12/01/30 (Pre-refunded 12/01/12)                   | 12/12 at 100.00                       | N/R (4)     | 88,341       |
|                           | Michigan State Hospital Finance Authority, Revenue Bonds, Chelsea Community Hospital, Series 2005:   |                                       |             |              |
| 425                       | 5.000%, 5/15/30 (Pre-refunded 5/15/15)   | 5/15 at 100.00                        | AA+ (4)     | 485,155      |
| 335                       | 5.000%, 5/15/37 (Pre-refunded 5/15/15)   | 5/15 at 100.00                        | AA+ (4)     | 382,416      |
|                           | Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E:  |                                       |             |              |
| 85                        | 6.000%, 8/01/26 (ETM)  | No Opt. Call                          | Baa2 (4)    | 122,582      |
| 615                       | 6.000%, 8/01/26 (ETM)  | No Opt. Call                          | AA+ (4)     | 886,916      |
| 3,265                     | Total U.S. Guaranteed  |                                       |             | 3,739,091    |
|                           | Utilities – 10.9% (7.3% of Total Investments)  |                                       |             |              |
| 1,115                     | Lansing Board of Water and Light, Michigan, Steam and Electric Utility System Revenue Bonds, Series 2003A, 5.000%, 7/01/21 – AGM Insured   | 7/13 at 100.00                        | AA–         | 1,162,042    |
|                           | Lansing Board of Water and Light, Michigan, Steam and Electric Utility System Revenue Bonds, Series 2008A:   |                                       |             |              |
| 50                        | 5.000%, 7/01/28  | 7/18 at 100.00                        | AA–         | 54,959       |
| 750                       | 5.000%, 7/01/32  | 7/18 at 100.00                        | AA–         | 808,343      |
|                           | Lansing Board of Water and Light, Michigan, Utility System Revenue Bonds, Tender Option Bond Trust 4700:   |                                       |             |              |
| 100                       | 17.710%, 7/01/37 (IF) (5)  | 7/21 at 100.00                        | AA–         | 145,236      |
| 250                       | 17.864%, 7/01/37 (IF) (5)  | 7/21 at 100.00                        | AA–         | 363,090      |



Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

Michigan Public Power Agency, Revenue Bonds,  
Combustion Turbine 1 Project, Series 2011:

|       |   |                    |     |           |
|-------|---|--------------------|-----|-----------|
| 500   | 5.000%, 1/01/26 – AGM Insured   | 1/21 at<br>100.00  | AA– | 561,625   |
| 290   | 5.000%, 1/01/27 – AGM Insured   | 1/21 at<br>100.00  | AA– | 324,333   |
| 3,055 | Total Utilities<br>Water and Sewer – 19.5% (13.0% of Total<br>Investments)  |                    |     | 3,419,628 |
| 1,000 | Detroit Water Supply System, Michigan, Water<br>Supply System Revenue Senior Lien Bonds,<br>Series 2006A, 5.000%, 7/01/34 – AGM Insured | 7/16 at<br>100.00  | AA– | 1,021,230 |
| 1,000 | Detroit, Michigan, Senior Lien Sewerage Disposal<br>System Revenue Bonds, Series 2001B, 5.500%,<br>7/01/29 – FGIC Insured               | No Opt. Call       | A   | 1,129,390 |
| 280   | Detroit, Michigan, Senior Lien Sewerage Disposal<br>System Revenue Bonds, Series 2003A, 5.000%,<br>7/01/17 – AGM Insured                | 7/13 at<br>100.00  | AA– | 291,074   |
| 490   | Detroit, Michigan, Water Supply System Revenue<br>Bonds, Senior Lien Series 2011A, 5.250%,<br>7/01/41                                   | 7/21 at<br>100.00  | A+  | 512,226   |
| 125   | Grand Rapids, Michigan, Sanitary Sewer System<br>Revenue Bonds, Series 2008, 5.000%, 1/01/38  | 1/18 at<br>100.00  | AA+ | 133,085   |
| 150   | Grand Rapids, Michigan, Water Supply System<br>Revenue Bonds, Series 2009, 5.100%, 1/01/39 –<br>AGC Insured                             | 1/19 at<br>100.00  | AA  | 164,430   |
| 1,000 | Michigan Municipal Bond Authority, Clean Water<br>Revolving Fund Revenue Bonds, Series 2005,<br>5.000%, 10/01/19                        | 10/15 at<br>100.00 | AAA | 1,143,510 |
| 500   | Michigan Municipal Bond Authority, Water<br>Revolving Fund Revenue Bonds, Series 2007,<br>5.000%, 10/01/23                              | 10/17 at<br>100.00 | AAA | 575,935   |
| 500   | Port Huron, Michigan, Water Supply System<br>Revenue Bonds, Series 2011, 5.250%, 10/01/31   | 10/21 at<br>100.00 | A   | 541,685   |

Nuveen Investments 41



NZW  
February 29, 2012

Nuveen Michigan Dividend Advantage Municipal Fund (continued)  
Portfolio of Investments

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value         |
|---------------------------|---|---------------------------------------|-------------|---------------|
|                           | Water and Sewer (continued)   |                                       |             |               |
| \$ 500                    | Puerto Rico Aqueduct and Sewerage Authority,<br>Revenue Bonds, Senior Lien Series 2008A,<br>6.000%, 7/01/44 | 7/18 at<br>100.00                     | Baa2        | \$ 537,650    |
| 50                        | Saginaw, Michigan, Water Supply System<br>Revenue Bonds, Series 2008, 5.250%, 7/01/22 –<br>NPFQ Insured     | 7/18 at<br>100.00                     | A           | 55,166        |
| 5,595                     | Total Water and Sewer   |                                       |             | 6,105,381     |
| \$ 44,767                 | Total Investments (cost \$43,647,537) – 149.9%  |                                       |             | 46,894,462    |
|                           | Floating Rate Obligations – (2.1)%  |                                       |             | (665,000)     |
|                           | MuniFund Term Preferred Shares, at Liquidation<br>Value – (52.1)% (6)                                       |                                       |             | (16,313,000)  |
|                           | Other Assets Less Liabilities – 4.3%  |                                       |             | 1,372,365     |
|                           | Net Assets Applicable to Common Shares – 100%   |                                       |             | \$ 31,288,827 |

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): 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 (not covered by the report of independent registered public accounting firm): 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) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, which ensure the timely payment of principal and interest. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities.
- (5) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
- (6) MuniFund Term Preferred Shares, at Liquidation Value as a percentage of Total Investments is 34.8%.
- N/R Not rated.
- (ETM) Escrowed to maturity.
- (IF) Inverse floating rate investment.
- (UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Inverse Floating Rate Securities for more information.

See accompanying notes to financial statements.

42 Nuveen Investments

---

| NUO Nuveen Ohio Quality Income Municipal Fund, Inc.<br>Portfolio of Investments<br>February 29, 2012 |   |                                       |             |              |
|--|---|---------------------------------------|-------------|--------------|
| Principal<br>Amount (000)  | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|  | Consumer Staples – 7.1% (5.1% of Total Investments)   |                                       |             |              |
|  | Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Revenue Bonds, Senior Lien, Series 2007A-2:                       |                                       |             |              |
| \$ 4,000   | 5.125%, 6/01/24   | 6/17 at 100.00                        | B–          | \$ 3,146,040 |
| 1,650  | 5.750%, 6/01/34   | 6/17 at 100.00                        | B–          | 1,217,865    |
| 10,000   | 5.875%, 6/01/47   | 6/17 at 100.00                        | B–          | 7,463,897    |
| 115  | Puerto Rico, The Children’s Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33                                   | 5/12 at 100.00                        | BBB         | 113,771      |
| 15,765   | Total Consumer Staples  |                                       |             | 11,941,573   |
|  | Education and Civic Organizations – 13.7% (9.7% of Total Investments)   |                                       |             |              |
| 920  | Miami University of Ohio, General Receipts Bonds, Series 2011, 5.000%, 9/01/36  | 9/21 at 100.00                        | Aa3         | 1,033,537    |
| 1,650  | Ohio Higher Education Facilities Commission, General Revenue Bonds, Kenyon College, Series 2006, 5.000%, 7/01/41  | 7/16 at 100.00                        | A+          | 1,715,373    |
| 1,750  | Ohio Higher Education Facilities Commission, General Revenue Bonds, Oberlin College, Series 2003, 5.125%, 10/01/24                                      | 10/13 at 100.00                       | AA          | 1,853,915    |
| 1,000  | Ohio Higher Education Facilities Commission, Revenue Bonds, Wittenberg University, Series 2005, 5.000%, 12/01/29  | 12/15 at 100.00                       | Ba1         | 873,760      |
| 2,420  | Ohio Higher Educational Facilities Commission, General Revenue Bonds, University of Dayton, 2006 Project, Series 2006, 5.000%, 12/01/30 – AMBAC Insured | 12/16 at 100.00                       | A           | 2,569,459    |
| 1,415  | Ohio Higher Educational Facilities Commission, Revenue Bonds, Denison University, Series 2004, 5.000%, 11/01/21   | 11/14 at 100.00                       | AA          | 1,506,225    |
| 1,320  | Ohio Higher Educational Facilities Commission, Revenue Bonds, University of Dayton, Series 2004, 5.000%, 12/01/25 – AMBAC Insured                       | 12/14 at 100.00                       | A           | 1,387,294    |
| 1,000  | Ohio Higher Educational Facilities Commission, Revenue Bonds, Wittenberg University, Series 2001, 5.500%, 12/01/15                                      | 6/12 at 100.00                        | Ba1         | 1,000,700    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|        |   |                 |      |            |
|--------|---|-----------------|------|------------|
| 1,500  | Ohio State Higher Education Facilities, Revenue Bonds, Case Western Reserve University, Series 2006, 5.000%, 12/01/44 – NPMG Insured                  | 12/16 at 100.00 | AA–  | 1,585,905  |
| 2,000  | Ohio State Higher Educational Facility Commission, Higher Education Facility Revenue Bonds, Xavier University 2008C, 5.750%, 5/01/28                  | 11/18 at 100.00 | A–   | 2,284,120  |
| 550    | Ohio State University, General Receipts Bonds, Series 2003B, 5.250%, 6/01/22  | 6/13 at 100.00  | Aa1  | 580,877    |
| 1,510  | University of Akron, Ohio, General Receipts Bonds, Series 2003A, 5.000%, 1/01/21 – AMBAC Insured  | 1/13 at 100.00  | A1   | 1,559,211  |
| 850    | University of Cincinnati, Ohio, General Receipts Bonds, Series 2003C, 5.000%, 6/01/22 – FGIC Insured  | 6/13 at 100.00  | AA–  | 894,192    |
|        | University of Cincinnati, Ohio, General Receipts Bonds, Series 2004D:   |                 |      |            |
| 1,200  | 5.000%, 6/01/19 – AMBAC Insured   | 6/14 at 100.00  | AA–  | 1,304,796  |
| 2,605  | 5.000%, 6/01/25 – AMBAC Insured   | 6/14 at 100.00  | AA–  | 2,819,418  |
| 21,690 | Total Education and Civic Organizations Health Care – 27.3% (19.3% of Total Investments)  |                 |      | 22,968,782 |
| 2,000  | Akron, Bath and Copley Joint Township Hospital District, Ohio, Hospital Facilities Revenue Bonds, Summa Health System, Series 1998A, 5.375%, 11/15/24 | 5/12 at 100.00  | Baa1 | 2,001,620  |
| 1,000  | Allen County, Ohio, Hospital Facilities Revenue Bonds, Catholic Healthcare Partners, Series 2010A, 5.250%, 6/01/38                                    | 6/20 at 100.00  | AA–  | 1,067,870  |
| 2,500  | Butler County, Ohio, Hospital Facilities Revenue Bonds, UC Health, Series 2010, 5.500%, 11/01/40  | 11/20 at 100.00 | BBB+ | 2,634,550  |
| 3,405  | Butler County, Ohio, Hospital Facilities Revenue Bonds, Cincinnati Children’s Medical Center Project, Series 2006K, 5.000%, 5/15/31 – FGIC Insured    | 5/16 at 100.00  | N/R  | 3,438,846  |

Nuveen Investments 43

NUO  
February 29, 2012

Nuveen Ohio Quality Income Municipal Fund, Inc. (continued)  
Portfolio of Investments

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------|---|---------------------------------------|-------------|------------|
|                           | Health Care (continued)   |                                       |             |            |
| \$ 180                    | Franklin County, Ohio, Hospital Revenue Bonds,<br>Holy Cross Health System Corporation, Series<br>1998, 5.000%, 6/01/28 – NPFG Insured                | 5/12 at<br>100.00                     | AA          | \$ 180,245 |
| 250                       | Franklin County, Ohio, Hospital Revenue Bonds,<br>Nationwide Children’s Hospital Project,<br>Improvement Series 2009:<br>5.000%, 11/01/34             | 11/19 at<br>100.00                    | Aa2         | 267,300    |
| 300                       | 5.250%, 11/01/40  | 11/19 at<br>100.00                    | Aa2         | 322,803    |
| 1,200                     | Franklin County, Ohio, Hospital Revenue Bonds,<br>Nationwide Children’s Hospital Project, Series<br>2005, 5.000%, 11/01/40                            | 11/18 at<br>100.00                    | Aa2         | 1,259,916  |
| 2,400                     | Franklin County, Ohio, Hospital Revenue Bonds,<br>OhioHealth Corporation, Tender Option Bond<br>Trust 11-21B, 9.274%, 11/15/41 (IF) (4)               | 11/21 at<br>100.00                    | AA          | 2,725,056  |
| 2,455                     | Hamilton County, Ohio, Revenue Bonds,<br>Children’s Hospital Medical Center, Series 2004J:<br>5.250%, 5/15/16 – FGIC Insured                          | 5/14 at<br>100.00                     | BBB         | 2,588,282  |
| 1,260                     | 5.125%, 5/15/28 – FGIC Insured  | 5/14 at<br>100.00                     | BBB         | 1,275,385  |
| 1,000                     | Hancock County, Ohio, Hospital Revenue Bonds,<br>Blanchard Valley Regional Health Center, Series<br>2011A, 6.250%, 12/01/34                           | 6/21 at<br>100.00                     | A3          | 1,149,580  |
| 1,000                     | Lorain County, Ohio, Hospital Revenue<br>Refunding and Improvement Bonds, Catholic<br>Healthcare Partners, Refunding Series 2002,<br>5.375%, 10/01/30 | 10/12 at<br>100.00                    | AA–         | 1,009,720  |
| 2,500                     | Lorain County, Ohio, Hospital Revenue<br>Refunding and Improvement Bonds, Catholic<br>Healthcare Partners, Series 2001A, 5.250%,<br>10/01/33          | No Opt. Call                          | AA–         | 2,527,525  |
| 90                        | Lucas County, Ohio, Hospital Revenue Bonds,<br>ProMedica Healthcare Obligated Group, Series<br>2008D:<br>5.000%, 11/15/38                             | 11/18 at<br>100.00                    | AA–         | 94,355     |
| 40                        | 5.125%, 11/15/40  | 11/18 at<br>100.00                    | AA–         | 42,178     |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |   |                 |     |           |
|-------|---|-----------------|-----|-----------|
| 2,665 | Lucas County, Ohio, Hospital Revenue Bonds, ProMedica Healthcare Obligated Group, Series 2011A, 6.000%, 11/15/41  | 11/21 at 100.00 | AA- | 3,119,516 |
| 785   | Miami County, Ohio, Hospital Facilities Revenue Refunding Bonds, Upper Valley Medical Center Inc., Series 2006, 5.250%, 5/15/21                             | 5/16 at 100.00  | A2  | 846,191   |
| 430   | Middleburg Heights, Ohio, Hospital Facilities Revenue Bonds, Southwest General Health Center Project, Refunding Series 2011, 5.250%, 8/01/41                | 8/21 at 100.00  | A2  | 455,374   |
|       | Montgomery County, Ohio, Revenue Bonds, Catholic Health Initiatives, Series 2004A:  |                 |     |           |
| 1,500 | 5.000%, 5/01/30   | 5/14 at 100.00  | AA  | 1,545,480 |
| 2,500 | 5.000%, 5/01/32   | No Opt. Call    | AA  | 2,566,325 |
| 1,350 | Montgomery County, Ohio, Revenue Bonds, Miami Valley Hospital, Series 2009A, 6.250%, 11/15/39   | 11/14 at 100.00 | Aa3 | 1,436,684 |
| 95    | Ohio Higher Educational Facilities Commission, Revenue Bonds, University Hospitals Health System Inc., Series 2007A, 5.250%, 1/15/46 – BHAC Insured         | No Opt. Call    | AA+ | 99,931    |
|       | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, Cleveland Clinic Health System Obligated Group, Series 2008A:                  |                 |     |           |
| 1,315 | 5.000%, 1/01/25   | 1/18 at 100.00  | Aa2 | 1,459,689 |
| 50    | 5.250%, 1/01/33   | 1/18 at 100.00  | Aa2 | 53,939    |
| 1,200 | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, Summa Health System Project, Series 2010, 5.250%, 11/15/40 – AGM Insured       | 5/20 at 100.00  | AA- | 1,278,768 |
| 1,500 | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, University Hospitals Health System, Series 2009, 6.750%, 1/15/39               | 1/15 at 100.00  | A   | 1,597,755 |
| 1,000 | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Series 2009A, 5.500%, 1/01/39                        | 1/19 at 100.00  | Aa2 | 1,093,610 |
|       | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Tender Option Bond Trust 3551:                       |                 |     |           |
| 375   | 19.956%, 1/01/17 (IF)   | No Opt. Call    | Aa2 | 493,065   |
| 2,700 | 20.182%, 1/01/33 (IF)   | 1/19 at 100.00  | Aa2 | 3,710,988 |
| 1,100 | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Tender Option Bond Trust 3591, 20.340%, 1/01/17 (IF) | No Opt. Call    | Aa2 | 1,511,884 |

44 Nuveen Investments

---

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|---|---------------------------------------|-------------|--------------|
|                           | Health Care (continued)   |                                       |             |              |
| \$ 1,200                  | Richland County, Ohio, Hospital Revenue Bonds, MidCentral Health System Group, Series 2006, 5.250%, 11/15/36  | 11/16 at 100.00                       | A-          | \$ 1,245,732 |
| 600                       | Ross County, Ohio, Hospital Revenue Refunding Bonds, Adena Health System Series 2008, 5.750%, 12/01/35  | 12/18 at 100.00                       | A           | 647,028      |
| 41,945                    | Total Health Care   |                                       |             | 45,747,190   |
|                           | Housing/Multifamily – 5.2% (3.7% of Total Investments)  |                                       |             |              |
| 1,385                     | Clermont County, Ohio, GNMA Collateralized Mortgage Revenue Bonds, S.E.M. Villa II Project, Series 1994A, 5.950%, 2/20/30   | 8/12 at 100.00                        | Aaa         | 1,387,258    |
|                           | Cuyahoga County, Ohio, GNMA Collateralized Multifamily Housing Mortgage Revenue Bonds, Longwood Phase One Associates LP, Series 2001A:  |                                       |             |              |
| 2,245                     | 5.350%, 1/20/21 (Alternative Minimum Tax)   | 7/12 at 101.00                        | Aaa         | 2,287,812    |
| 2,250                     | 5.450%, 1/20/31 (Alternative Minimum Tax)   | 7/12 at 101.00                        | Aaa         | 2,277,158    |
| 800                       | Montgomery County, Ohio, GNMA Guaranteed Multifamily Housing Revenue Bonds, Canterbury Court Project, Series 2007, 5.500%, 10/20/42 (Alternative Minimum Tax)                           | 10/18 at 101.00                       | Aa1         | 849,352      |
| 715                       | Ohio Housing Finance Agency, FHA-Insured Multifamily Housing Mortgage Revenue Bonds, Madonna Homes, Series 2006M, 4.900%, 6/20/48 (Alternative Minimum Tax)                             | 6/16 at 102.00                        | Aaa         | 727,720      |
| 1,100                     | Summit County Port Authority, Ohio, Multifamily Housing Revenue Bonds, Callis Tower Apartments Project, Series 2007, 5.250%, 9/20/47 (Alternative Minimum Tax)                          | 9/17 at 102.00                        | Aaa         | 1,144,044    |
| 8,495                     | Total Housing/Multifamily   |                                       |             | 8,673,344    |
|                           | Housing/Single Family – 0.5% (0.4% of Total Investments)  |                                       |             |              |
| 855                       | Ohio Housing Finance Agency, Single Family Mortgage Revenue Bonds, Series 2006H, 5.000%, 9/01/31 (Alternative Minimum Tax)  | 9/15 at 100.00                        | Aaa         | 870,245      |
|                           | Industrials – 1.0% (0.7% of Total Investments)  |                                       |             |              |
| 695                       | Cleveland-Cuyahoga County Port Authority, Ohio, Development Revenue Bonds, Bond Fund Program – Columbia National Group Project, Series 2005D, 5.000%, 5/15/20 (Alternative Minimum Tax) | 11/15 at 100.00                       | BBB-        | 690,288      |



Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |   |                 |      |           |
|-------|---|-----------------|------|-----------|
| 1,040 | Cleveland-Cuyahoga County Port Authority, Ohio, Development Revenue Bonds, Jergens Inc., Series 1998A, 5.375%, 5/15/18 (Alternative Minimum Tax)                          | 5/12 at 100.00  | BBB- | 1,040,759 |
| 1,735 | Total Industrials<br>Long-Term Care – 1.0% (0.8% of Total Investments)  |                 |      | 1,731,047 |
| 490   | Franklin County, Ohio, Healthcare Facilities Revenue Bonds, Ohio Presbyterian Retirement Services, Improvement Series 2010A, 5.625%, 7/01/26                              | 7/21 at 100.00  | BBB  | 529,891   |
| 1,165 | Montgomery County, Ohio, Health Care and Multifamily Housing Revenue Bonds, Saint Leonard, Refunding & improvement Series 2010, 6.625%, 4/01/40                           | 4/20 at 100.00  | BBB- | 1,224,741 |
| 1,655 | Total Long-Term Care<br>Materials – 1.3% (0.9% of Total Investments)  |                 |      | 1,754,632 |
| 2,000 | Toledo-Lucas County Port Authority, Ohio, Port Revenue Bonds, Cargill Inc., Series 2004B, 4.500%, 12/01/15<br>Tax Obligation/General – 30.5% (21.6% of Total Investments) | No Opt. Call    | A    | 2,165,260 |
|       | Butler County, Ohio, General Obligation Bonds, Series 2002:   |                 |      |           |
| 1,345 | 5.000%, 12/01/21 – NPFG Insured   | 12/12 at 100.00 | Aa1  | 1,440,374 |
| 1,200 | 5.000%, 12/01/22 – NPFG Insured   | 12/12 at 101.00 | Aa1  | 1,286,184 |
| 1,500 | Centerville City School District, Montgomery County, Ohio, General Obligation Bonds, Series 2005, 5.000%, 12/01/30 – AGM Insured  | 6/15 at 100.00  | Aa1  | 1,596,405 |
| 1,000 | Central Ohio Solid Waste Authority, General Obligation Bonds, Series 2004A, 5.000%, 12/01/15 – AMBAC Insured  | 6/14 at 100.00  | AAA  | 1,097,420 |
| 1,000 | Cleveland Municipal School District, Cuyahoga County, Ohio, General Obligation Bonds, Series 2004, 5.000%, 12/01/22 – AGM Insured   | 6/14 at 100.00  | AA   | 1,092,510 |
| 3,000 | Columbus City School District, Franklin County, Ohio, General Obligation Bonds, Series 2006, 0.000%, 12/01/28 – AGM Insured   | No Opt. Call    | AA   | 1,566,690 |

Nuveen Investments 45

NUO  
February 29, 2012

Nuveen Ohio Quality Income Municipal Fund, Inc. (continued)  
Portfolio of Investments

| Principal<br>Amount (000)          | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|------------------------------------|--|---------------------------------------|-------------|--------------|
| Tax Obligation/General (continued) |  |                                       |             |              |
| \$ 1,200                           | Cuyahoga County, Ohio, General Obligation Bonds, Series 2004, 5.000%, 12/01/21   | 12/14 at<br>100.00                    | AA+         | \$ 1,334,292 |
| 1,000                              | Dayton, Ohio, General Obligation Bonds, Series 2004, 5.250%, 12/01/19 – AMBAC Insured  | 6/14 at<br>100.00                     | Aa2         | 1,099,030    |
| 1,195                              | Fairview Park City School District, Cuyahoga County, Ohio, General Obligation Bonds, Series 2005, 5.000%, 12/01/24 – NPFPG Insured                                     | 6/15 at<br>100.00                     | Aa3         | 1,283,502    |
| 1,840                              | Franklin County, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/28   | 12/17 at<br>100.00                    | AAA         | 2,130,941    |
| 1,500                              | Green, Ohio, General Obligation Bonds, Series 2008, 5.500%, 12/01/32   | 12/15 at<br>100.00                    | AA          | 1,610,370    |
| 1,355                              | Grove City, Ohio, General Obligation Bonds, Construction & Improvement Series 2009, 5.125%, 12/01/36   | No Opt. Call                          | Aa1         | 1,536,313    |
| 7,020                              | Hamilton City School District, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/34 – AGM Insured   | 6/17 at<br>100.00                     | AA–         | 7,436,355    |
| 1,850                              | Hilliard School District, Franklin County, Ohio, General Obligation Bonds, School Construction, Series 2005, 5.000%, 12/01/26 – NPFPG Insured                          | 12/15 at<br>100.00                    | Aa1         | 2,061,511    |
| 3,000                              | Hilliard School District, Franklin County, Ohio, General Obligation Bonds, Series 2006A, 5.000%, 12/01/25 – NPFPG Insured  | 12/16 at<br>100.00                    | Aa1         | 3,311,370    |
| 2,580                              | Indian Lake Local School District, Logan and Auglaize Counties, Ohio, School Facilities Improvement and Refunding Bonds, Series 2007, 5.000%, 12/01/34 – NPFPG Insured | 6/17 at<br>100.00                     | Aa3         | 2,755,879    |
| 660                                | Kenston Local School District, Geauga County, Ohio, General Obligation Bonds, Series 2011, 0.000%, 12/01/21  | No Opt. Call                          | Aa1         | 512,041      |
| 800                                | Lakewood City School District, Cuyahoga County, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/25 – FGIC Insured   | 12/17 at<br>100.00                    | Aa2         | 893,328      |
| 1,585                              | Lucas County, Ohio, General Obligation Bonds, Various Purpose Series 2010, 5.000%, 10/01/40  | 10/18 at<br>100.00                    | Aa2         | 1,697,281    |
| 505                                | Marysville Exempted School District, Union County, Ohio, General Obligation Bonds, Series 2006, 5.000%, 12/01/25 – AGM Insured   | 12/15 at<br>100.00                    | AA–         | 542,809      |
| 500                                |  |                                       | Aaa         | 550,950      |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|        |   |                    |     |            |
|--------|---|--------------------|-----|------------|
|        | Mason City School District, Counties of Warren and Butler, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/31                                    | 6/17 at<br>100.00  |     |            |
| 1,500  | Middletown City School District, Butler County, Ohio, General Obligation Bonds, Refunding Series 2007, 5.250%, 12/01/31 – AGM Insured                       | No Opt. Call       | Aa3 | 1,853,715  |
| 1,350  | Milford Exempted Village School District, Ohio, General Obligation Bonds, Series 2008, 5.250%, 12/01/36   | 12/18 at<br>100.00 | Aa3 | 1,461,821  |
| 640    | New Albany Plain Local School District, Franklin County, Ohio, General Obligation Bonds, Series 2002, 5.500%, 12/01/17 – FGIC Insured                       | 6/12 at<br>100.00  | Aa1 | 647,296    |
| 1,000  | Newark City School District, Licking County, Ohio, General Obligation Bonds, Series 2005, 5.000%, 12/01/28 – FGIC Insured                                   | 12/15 at<br>100.00 | A+  | 1,062,630  |
| 1,000  | Northmor Local School District, Morrow County, Ohio, General Obligation School Facilities Construction and Improvement Bonds, Series 2008, 5.000%, 11/01/36 | 11/18 at<br>100.00 | Aa2 | 1,075,270  |
| 500    | Olentangy Local School District, Delaware and Franklin Counties, Ohio, General Obligation Bonds, Series 2008, 5.000%, 12/01/36                              | 6/18 at<br>100.00  | AA+ | 542,220    |
| 1,510  | Painesville City School District, Ohio, General Obligation Bonds, Series 2004, 5.000%, 12/01/22 – FGIC Insured  | 12/14 at<br>100.00 | A1  | 1,654,688  |
| 70     | Strongsville, Ohio, Limited Tax General Obligation Various Purpose Improvement Bonds, Series 1996, 5.950%, 12/01/21   | 6/12 at<br>100.00  | Aaa | 70,321     |
| 100    | Sylvania City School District, Ohio, General Obligation School Improvement Bonds, Series 1995, 5.250%, 12/01/36 – AGC Insured                               | 6/17 at<br>100.00  | Aa2 | 107,114    |
| 650    | Vandalia Butler City School District, Montgomery County, Ohio, General Obligation Bonds, School Improvement Series 2009, 5.125%, 12/01/37                   | No Opt. Call       | AA  | 709,989    |
| 2,515  | Warren City School District, Trumbull County, Ohio, General Obligation Bonds, Series 2004: 5.000%, 12/01/20 – FGIC Insured                                  | 6/14 at<br>100.00  | AA  | 2,708,856  |
| 1,170  | 5.000%, 12/01/22 – FGIC Insured   | 6/14 at<br>100.00  | AA  | 1,275,206  |
| 1,000  | West Chester Township, Butler County, Ohio, General Obligation Bonds, Series 2003, 5.000%, 12/01/28 – NPPG Insured  | 12/13 at<br>100.00 | Aaa | 1,061,110  |
| 48,640 | Total Tax Obligation/General  |                    |     | 51,065,791 |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|--|---------------------------------------|-------------|--------------|
|                           | Tax Obligation/Limited – 19.8% (14.0% of Total Investments)  |                                       |             |              |
| \$ 1,380                  | Columbus, Ohio, Tax Increment Financing Bonds, Easton Project, Series 2004A, 5.000%, 12/01/25 – AMBAC Insured  | 6/14 at 100.00                        | BBB+        | \$ 1,434,703 |
| 4,000                     | Cuyhoga County, Ohio, Economic Development Revenue Bonds, Federally Taxable Recovery Zone Facility Medical Mart- Convention Center Project, Series 2010G, 5.000%, 12/01/27 | 12/20 at 100.00                       | AA          | 4,557,959    |
| 3,000                     | Franklin County Convention Facilities Authority, Ohio, Excise Tax and Lease Revenue Anticipation Bonds, Series 2005, 5.000%, 12/01/27 – AMBAC Insured                      | 12/15 at 100.00                       | Aaa         | 3,234,270    |
| 1,305                     | Government of Guam, Business Privilege Tax Bonds, Series 2011A, 5.125%, 1/01/42  | 1/22 at 100.00                        | A           | 1,417,295    |
| 1,085                     | Hamilton County Convention Facilities Authority, Ohio, First Lien Revenue Bonds, Series 2004, 5.000%, 12/01/18 – FGIC Insured  | 6/14 at 100.00                        | A+          | 1,168,632    |
| 4,000                     | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Lien, Series 2006A, 5.000%, 12/01/32 – AMBAC Insured   | 12/16 at 100.00                       | A1          | 4,299,559    |
| 1,000                     | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Series 2000B, 0.000%, 12/01/28 – AGM Insured   | No Opt. Call                          | AA–         | 489,840      |
| 2,000                     | Hamilton County, Ohio, Sales Tax Revenue Bonds, Refunding Series 2011A, 5.000%, 12/01/31   | 12/21 at 100.00                       | A1          | 2,189,720    |
| 1,000                     | Hudson City School District, Ohio, Certificates of Participation, Series 2004, 5.000%, 6/01/26 – NPMFG Insured   | 6/14 at 100.00                        | Aa3         | 1,037,670    |
|                           | New Albany Community Authority, Ohio, Community Facilities Revenue Refunding Bonds, Series 2001B:  |                                       |             |              |
| 1,000                     | 5.500%, 10/01/15 – AMBAC Insured   | 4/12 at 100.00                        | A1          | 1,003,710    |
| 1,000                     | 5.500%, 10/01/17 – AMBAC Insured   | 4/12 at 100.00                        | A1          | 1,003,340    |
| 140                       | New Albany Community Authority, Ohio, Community Facilities Revenue Refunding Bonds Series 2012C, 5.000%, 10/01/24 (WI/DD, Settling 3/08/12)                                | 10/22 at 100.00                       | A1          | 162,434      |
| 800                       | Ohio State Building Authority, State Facilities Bonds, Administrative Building Fund Projects, Series 2005A, 5.000%, 4/01/25 – AGM Insured                                  | 4/15 at 100.00                        | AA          | 888,248      |
| 1,000                     |  |                                       | AA          | 1,051,340    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|        |  |                 |         |            |
|--------|--|-----------------|---------|------------|
|        | Ohio, State Appropriation Lease Bonds, Mental Health Capital Facilities, Series 2003B-II, 5.000%, 6/01/16  | 6/13 at 100.00  |         |            |
| 23,215 | Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, First Subordinate Series 2009A, 0.000%, 8/01/34                                | No Opt. Call    | A+      | 7,036,698  |
| 7,875  | Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, Series 2010A, 0.000%, 8/01/35  | No Opt. Call    | A+      | 2,207,205  |
| 53,800 | Total Tax Obligation/Limited Transportation – 4.0% (2.8% of Total Investments)   |                 |         | 33,182,623 |
| 1,000  | Cleveland, Ohio, Airport System Revenue Bonds, Series 2012A, 5.000%, 1/01/31 – AGM Insured   | 1/22 at 100.00  | AA–     | 1,073,470  |
| 3,050  | Dayton, Ohio, Airport Revenue Bonds, James M. Cox International Airport, Series 2003C, 5.250%, 12/01/23 – RAAI Insured (Alternative Minimum Tax)     | 12/13 at 100.00 | A–      | 3,135,736  |
| 2,000  | Ohio Turnpike Commission, Revenue Refunding Bonds, Series 1998A, 5.500%, 2/15/18 – FGIC Insured  | No Opt. Call    | AA      | 2,488,880  |
| 6,050  | Total Transportation   |                 |         | 6,698,086  |
|        | U.S. Guaranteed – 18.8% (13.3% of Total Investments) (5)   |                 |         |            |
| 2,030  | Butler County, Ohio, General Obligation Judgment Bonds, Series 2002, 5.250%, 12/01/21 (Pre-refunded 12/01/12)  | 12/12 at 101.00 | Aa1 (5) | 2,127,866  |
| 2,600  | Cincinnati City School District, Hamilton County, Ohio, General Obligation Bonds, Series 2002, 5.250%, 6/01/21 (Pre-refunded 12/01/12) – AGM Insured | 12/12 at 100.00 | Aa2 (5) | 2,699,372  |
|        | Cuyahoga County, Ohio, Revenue Refunding Bonds, Cleveland Clinic Health System, Series 2003A:  |                 |         |            |
| 1,020  | 6.000%, 1/01/32 (Pre-refunded 7/01/13)   | 7/13 at 100.00  | Aa2 (5) | 1,097,979  |
| 980    | 6.000%, 1/01/32 (Pre-refunded 7/01/13)   | 7/13 at 100.00  | Aa2 (5) | 1,054,921  |
| 1,000  | Dayton, Ohio, Airport Revenue Bonds, James M. Cox International Airport, Series 2005B, 5.000%, 12/01/14 – SYNCORA GTY Insured (ETM)                  | No Opt. Call    | A– (5)  | 1,126,400  |

Nuveen Investments 47

NUO  
February 29, 2012

Nuveen Ohio Quality Income Municipal Fund, Inc. (continued)  
Portfolio of Investments

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|---|---------------------------------------|-------------|--------------|
|                           | U.S. Guaranteed (5) (continued)   |                                       |             |              |
| \$ 1,000                  | Dublin City School District, Franklin, Delaware and Union Counties, Ohio, General Obligation Bonds, Series 2003, 5.000%, 12/01/22 (Pre-refunded 12/01/13) – AGM Insured | 12/13 at 100.00                       | AAA         | \$ 1,082,930 |
| 1,160                     | Kenston Local School District, Geauga County, Ohio, General Obligation Bonds, Series 2003, 5.000%, 12/01/22 (Pre-refunded 6/01/13) – NPFG Insured                       | 6/13 at 100.00                        | Aa1 (5)     | 1,229,252    |
| 1,515                     | Massillon City School District, Ohio, General Obligation Bonds, Series 2003, 5.250%, 12/01/21 (Pre-refunded 12/01/12) – NPFG Insured                                    | 12/12 at 100.00                       | Baa2 (5)    | 1,573,221    |
| 760                       | Middletown City School District, Butler County, Ohio, General Obligation Bonds, Series 2004, 5.000%, 12/01/25 (Pre-refunded 12/01/13) – FGIC Insured                    | 12/13 at 100.00                       | N/R (5)     | 823,027      |
| 460                       | New Albany Plain Local School District, Franklin County, Ohio, General Obligation Bonds, Series 2002, 5.500%, 12/01/17 (Pre-refunded 6/01/12) – FGIC Insured            | 6/12 at 100.00                        | Aa1 (5)     | 466,320      |
| 2,645                     | Ohio State Building Authority, State Facilities Bonds, Adult Correctional Building Fund Project, Series 2004A, 5.250%, 4/01/15 (Pre-refunded 4/01/14) – NPFG Insured    | 4/14 at 100.00                        | AA (5)      | 2,918,308    |
| 1,200                     | Ohio State University, General Receipts Bonds, Series 2002A, 5.125%, 12/01/31 (Pre-refunded 12/01/12)   | 12/12 at 100.00                       | Aa1 (5)     | 1,244,988    |
| 2,450                     | Ohio State University, General Receipts Bonds, Series 2003B, 5.250%, 6/01/22 (Pre-refunded 6/01/13)   | 6/13 at 100.00                        | N/R (5)     | 2,602,978    |
| 525                       | Ohio Water Development Authority, Revenue Bonds, Drinking Water Assistance Fund, State Match, Series 2008, 5.000%, 6/01/28 (Pre-refunded 6/01/18) – AGM Insured         | 6/18 at 100.00                        | AAA         | 653,179      |
| 1,225                     | Ohio Water Development Authority, Water Pollution Control Loan Fund Revenue Bonds, Water Quality Project, Series 2005B, 5.000%, 6/01/25 (Pre-refunded 6/01/15)          | 6/15 at 100.00                        | AAA         | 1,404,793    |
| 3,000                     | Ohio, General Obligation Bonds, Infrastructure Improvements, Series 2003F, 5.000%, 2/01/23 (Pre-refunded 2/01/13)   | 2/13 at 100.00                        | AA+ (5)     | 3,132,840    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|  |   |                 |         |            |
|--|---|-----------------|---------|------------|
| Olentangy Local School District, Delaware and Franklin Counties, Ohio, General Obligation Bonds, Series 2004A: |   |                 |         |            |
| 1,315  | 5.250%, 12/01/23 (Pre-refunded 6/01/14) – FGIC Insured  | 6/14 at 100.00  | AA+ (5) | 1,460,636  |
| 3,380  | 5.250%, 12/01/24 (Pre-refunded 6/01/14) – FGIC Insured  | 6/14 at 100.00  | AA+ (5) | 3,754,335  |
| 1,000  | Princeton City School District, Butler County, Ohio, General Obligation Bonds, Series 2003, 5.000%, 12/01/30 (Pre-refunded 12/01/13) – NPMFG Insured                          | 12/13 at 100.00 | AA (5)  | 1,082,930  |
| 29,265   | Total U.S. Guaranteed Utilities – 7.8% (5.6% of Total Investments)  |                 |         | 31,536,275 |
| 2,500  | American Municipal Power Ohio Inc., General Revenue Bonds, Prairie State Energy Campus Project Series 2008A, 5.250%, 2/15/43  | 2/18 at 100.00  | A1      | 2,693,775  |
| 4,000  | American Municipal Power Ohio Inc., Wadsworth, Electric System Improvement Revenue Bonds, Series 2002, 5.000%, 2/15/22 – NPMFG Insured  | 8/12 at 100.00  | A1      | 4,008,360  |
| Cleveland, Ohio, Public Power System Revenue Bonds, Series 2008B-2:  |   |                 |         |            |
| 2,000  | 0.000%, 11/15/28 – NPMFG Insured  | No Opt. Call    | A2      | 940,700    |
| 2,105  | 0.000%, 11/15/32 – NPMFG Insured  | No Opt. Call    | A2      | 776,282    |
| 2,155  | 0.000%, 11/15/34 – NPMFG Insured  | No Opt. Call    | A2      | 702,789    |
| 1,465  | Ohio Air Quality Development Authority, Revenue Refunding Bonds, Ohio Power Company Project, Series 1999C, 5.150%, 5/01/26 – AMBAC Insured                                    | 5/12 at 100.00  | Baa1    | 1,466,538  |
| 950  | Ohio Municipal Electric Generation Agency, Beneficial Interest Certificates, Belleville Hydroelectric Project – Joint Venture 5, Series 2001, 0.000%, 2/15/29 – NPMFG Insured | No Opt. Call    | A1      | 454,452    |
| 2,000  | Ohio Municipal Electric Generation Agency, Beneficial Interest Certificates, Belleville Hydroelectric Project – Joint Venture 5, Series 2004, 5.000%, 2/15/20 – AMBAC Insured | 2/14 at 100.00  | A1      | 2,108,520  |
| 17,175   | Total Utilities   |                 |         | 13,151,416 |

48 Nuveen Investments



Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value          |
|---------------------------|---|---------------------------------------|-------------|----------------|
|                           | Water and Sewer – 3.0% (2.1% of Total Investments)  |                                       |             |                |
| \$ 430                    | City of Marysville, Ohio, Water System Mortgage Revenue Bonds, Series 2007, 5.000%, 12/01/32 – AMBAC Insured                            | 12/17 at 100.00                       | A1          | \$ 459,980     |
| 1,025                     | Cleveland, Ohio, Waterworks First Mortgage Revenue Refunding and Improvement Bonds, Series 1993G, 5.500%, 1/01/21 – NPMG Insured        | No Opt. Call                          | Aa1         | 1,282,706      |
| 1,220                     | Hamilton, Ohio, Wastewater System Revenue Bonds, Series 2005, 5.250%, 10/01/22 – AGM Insured  | 10/15 at 100.00                       | Aa3         | 1,374,464      |
| 100                       | Ironton, Ohio, Sewer System Improvement Revenue Bonds, Series 2011, 5.250%, 12/01/40 – AGM Insured                                      | 12/20 at 100.00                       | Aa3         | 110,043        |
| 225                       | Marysville, Ohio, Wastewater Treatment System Revenue Bonds, Series 2007, 5.000%, 12/01/37 – SYNCORA GTY Insured                        | 12/17 at 100.00                       | A–          | 234,981        |
| 1,170                     | Marysville, Ohio, Wastewater Treatment System Revenue Bonds, Series 2006, 5.250%, 12/01/24 – SYNCORA GTY Insured                        | 12/16 at 100.00                       | A–          | 1,277,078      |
| 275                       | Ohio Water Development Authority, Water Pollution Control Loan Fund Revenue Bonds, Water Quality Project, Series 2005B, 5.000%, 6/01/25 | 6/15 at 100.00                        | AAA         | 309,851        |
| 4,445                     | Total Water and Sewer   |                                       |             | 5,049,103      |
| \$ 253,515                | Total Investments (cost \$217,562,564) – 141.0%   |                                       |             | 236,535,367    |
|                           | Variable Rate MuniFund Term Preferred Shares, at Liquidation Value – (43.8)% (6)  |                                       |             | (73,500,000)   |
|                           | Other Assets Less Liabilities – 2.8%  |                                       |             | 4,674,032      |
|                           | Net Assets Applicable to Common Shares – 100%   |                                       |             | \$ 167,709,399 |

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): 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 (not covered by the report of independent registered public accounting firm): 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)



Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, which ensure the timely payment of principal and interest. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities.

- (6) Variable Rate MuniFund Term Preferred Shares, at Liquidation Value as a percentage of Total Investments is 31.1%.

N/R Not rated.

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

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

Nuveen Investments 49

---

NXI Nuveen Ohio Dividend Advantage Municipal Fund  
Portfolio of Investments  
February 29, 2012

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|--|---------------------------------------|-------------|--------------|
|                           | Consumer Staples – 5.5% (3.8% of Total Investments)  |                                       |             |              |
|                           | Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Revenue Bonds, Senior Lien, Series 2007A-2:                                    |                                       |             |              |
| \$ 1,500                  | 5.125%, 6/01/24  | 6/17 at 100.00                        | B–          | \$ 1,179,765 |
| 3,300                     | 5.875%, 6/01/47  | 6/17 at 100.00                        | B–          | 2,463,086    |
| 45                        | Puerto Rico, The Children’s Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33  | 5/12 at 100.00                        | BBB         | 44,519       |
| 4,845                     | Total Consumer Staples   |                                       |             | 3,687,370    |
|                           | Education and Civic Organizations – 12.3% (8.6% of Total Investments)  |                                       |             |              |
| 275                       | Miami University of Ohio, General Receipts Bonds, Series 2011, 5.000%, 9/01/36   | 9/21 at 100.00                        | Aa3         | 308,938      |
| 700                       | Ohio Higher Education Facilities Commission, General Revenue Bonds, Kenyon College, Series 2006, 5.000%, 7/01/41   | 7/16 at 100.00                        | A+          | 727,734      |
| 2,650                     | Ohio Higher Education Facilities Commission, Revenue Bonds, Ohio Northern University, Series 2002, 5.000%, 5/01/22   | 5/12 at 100.00                        | Baa2        | 2,653,391    |
| 500                       | Ohio Higher Education Facilities Commission, Revenue Bonds, Wittenberg University, Series 2005, 5.000%, 12/01/24   | 12/15 at 100.00                       | Ba1         | 456,240      |
| 1,000                     | Ohio State Higher Educational Facility Commission, Higher Education Facility Revenue Bonds, Xavier University 2008C, 5.750%, 5/01/28                                 | 11/18 at 100.00                       | A–          | 1,142,060    |
| 950                       | Ohio State, Higher Educational Facility Revenue Bonds, Otterbein College Project, Series 2008A, 5.500%, 12/01/28   | 12/18 at 100.00                       | A3          | 1,068,541    |
| 1,760                     | Ohio University at Athens, Subordinate Lien General Receipts Bonds, Series 2004, 5.000%, 12/01/20 – NPMG Insured   | 6/14 at 100.00                        | Aa3         | 1,899,744    |
| 7,835                     | Total Education and Civic Organizations  |                                       |             | 8,256,648    |
|                           | Health Care – 27.5% (19.3% of Total Investments)   |                                       |             |              |
| 65                        | Akron, Bath and Copley Joint Township Hospital District, Ohio, Hospital Facilities Revenue Bonds, Summa Health System, Series 2004A, 5.500%, 11/15/34 – RAAI Insured | 11/14 at 100.00                       | Baa1        | 65,900       |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |  |                    |     |           |
|-------|--|--------------------|-----|-----------|
| 500   | Allen County, Ohio, Hospital Facilities Revenue Bonds, Catholic Healthcare Partners, Series 2010A, 5.250%, 6/01/38                                 | 6/20 at<br>100.00  | AA- | 533,935   |
| 1,385 | Butler County, Ohio, Hospital Facilities Revenue Bonds, Cincinnati Children's Medical Center Project, Series 2006K, 5.000%, 5/15/31 – FGIC Insured | 5/16 at<br>100.00  | N/R | 1,398,767 |
| 1,300 | Franklin County, Ohio, Hospital Revenue Bonds, Nationwide Children's Hospital Project, Improvement Series 2009, 5.250%, 11/01/40                   | 11/19 at<br>100.00 | Aa2 | 1,398,813 |
| 600   | Franklin County, Ohio, Hospital Revenue Bonds, Nationwide Children's Hospital Project, Series 2005, 5.000%, 11/01/40                               | 11/18 at<br>100.00 | Aa2 | 629,958   |
| 1,280 | Franklin County, Ohio, Hospital Revenue Bonds, OhioHealth Corporation, Tender Option Bond Trust 11-21B, 9.274%, 11/15/41 (IF) (4)                  | 11/21 at<br>100.00 | AA  | 1,453,363 |
| 2,000 | Hamilton County, Ohio, Revenue Bonds, Children's Hospital Medical Center, Series 2004J, 5.125%, 5/15/28 – FGIC Insured                             | 5/14 at<br>100.00  | BBB | 2,024,420 |
| 1,000 | Hancock County, Ohio, Hospital Revenue Bonds, Blanchard Valley Regional Health Center, Series 2011A, 6.250%, 12/01/34                              | 6/21 at<br>100.00  | A3  | 1,149,580 |
| 500   | Lorain County, Ohio, Hospital Revenue Refunding and Improvement Bonds, Catholic Healthcare Partners, Refunding Series 2002, 5.375%, 10/01/30       | 10/12 at<br>100.00 | AA- | 504,860   |
| 1,000 | Lorain County, Ohio, Hospital Revenue Refunding and Improvement Bonds, Catholic Healthcare Partners, Series 2001A, 5.250%, 10/01/33                | No Opt. Call       | AA- | 1,011,010 |
| 290   | Lucas County, Ohio, Hospital Revenue Bonds, ProMedica Healthcare Obligated Group, Series 2011A, 6.000%, 11/15/41                                   | 11/21 at<br>100.00 | AA- | 339,460   |

50 Nuveen Investments

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------|---|---------------------------------------|-------------|------------|
|                           | Health Care (continued)   |                                       |             |            |
| \$ 330                    | Miami County, Ohio, Hospital Facilities Revenue Refunding Bonds, Upper Valley Medical Center Inc., Series 2006, 5.250%, 5/15/21                             | 5/16 at 100.00                        | A2          | \$ 355,724 |
| 170                       | Middleburg Heights, Ohio, Hospital Facilities Revenue Bonds, Southwest General Health Center Project, Refunding Series 2011, 5.250%, 8/01/41                | 8/21 at 100.00                        | A2          | 180,032    |
| 1,000                     | Montgomery County, Ohio, Revenue Bonds, Catholic Health Initiatives, Series 2004A, 5.000%, 5/01/30  | 5/14 at 100.00                        | AA          | 1,030,320  |
| 375                       | Montgomery County, Ohio, Revenue Bonds, Miami Valley Hospital, Series 2009A, 6.250%, 11/15/39   | 11/14 at 100.00                       | Aa3         | 399,079    |
|                           | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, Cleveland Clinic Health System Obligated Group, Series 2008A:                  |                                       |             |            |
| 1,050                     | 5.000%, 1/01/25   | 1/18 at 100.00                        | Aa2         | 1,165,532  |
| 90                        | 5.250%, 1/01/33   | 1/18 at 100.00                        | Aa2         | 97,089     |
|                           | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, Summa Health System Project, Series 2010:                                      |                                       |             |            |
| 1,100                     | 5.750%, 11/15/40 – AGM Insured  | 5/20 at 100.00                        | AA–         | 1,204,984  |
| 80                        | 5.250%, 11/15/40 – AGM Insured  | 5/20 at 100.00                        | AA–         | 85,251     |
| 250                       | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, University Hospitals Health System, Series 2009, 6.750%, 1/15/39               | 1/15 at 100.00                        | A           | 266,293    |
| 200                       | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Series 2009A, 5.500%, 1/01/39                        | 1/19 at 100.00                        | Aa2         | 218,722    |
|                           | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Tender Option Bond Trust 3551:                       |                                       |             |            |
| 250                       | 19.956%, 1/01/17 (IF)   | No Opt. Call                          | Aa2         | 328,710    |
| 1,225                     | 20.182%, 1/01/33 (IF)   | 1/19 at 100.00                        | Aa2         | 1,683,689  |
| 65                        | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Tender Option Bond Trust 3591, 20.340%, 1/01/17 (IF) | No Opt. Call                          | Aa2         | 89,339     |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|        |   |                    |      |            |
|--------|---|--------------------|------|------------|
| 500    | Richland County, Ohio, Hospital Revenue Bonds, MidCentral Health System Group, Series 2006, 5.250%, 11/15/36  | 11/16 at<br>100.00 | A-   | 519,055    |
| 375    | Ross County, Ohio, Hospital Revenue Refunding Bonds, Adena Health System Series 2008, 5.750%, 12/01/35  | 12/18 at<br>100.00 | A    | 404,393    |
| 16,980 | Total Health Care   |                    |      | 18,538,278 |
|        | Housing/Multifamily – 4.0% (2.8% of Total Investments)  |                    |      |            |
| 1,165  | Cleveland-Cuyahoga County Port Authority, Ohio, Lease Revenue Bonds, Euclid Avenue Housing Corporation – Fenn Tower Project, Series 2005, 5.000%, 8/01/23 – AMBAC Insured               | 8/15 at<br>100.00  | N/R  | 1,047,300  |
| 350    | Montgomery County, Ohio, GNMA Guaranteed Multifamily Housing Revenue Bonds, Canterbury Court Project, Series 2007, 5.500%, 10/20/42 (Alternative Minimum Tax)                           | 10/18 at<br>101.00 | Aa1  | 371,592    |
| 285    | Ohio Housing Finance Agency, FHA-Insured Multifamily Housing Mortgage Revenue Bonds, Madonna Homes, Series 2006M, 4.900%, 6/20/48 (Alternative Minimum Tax)                             | 6/16 at<br>102.00  | Aaa  | 290,070    |
| 915    | Summit County Port Authority, Ohio, Multifamily Housing Revenue Bonds, Callis Tower Apartments Project, Series 2007, 5.250%, 9/20/47 (Alternative Minimum Tax)                          | 9/17 at<br>102.00  | Aaa  | 951,637    |
| 2,715  | Total Housing/Multifamily   |                    |      | 2,660,599  |
|        | Housing/Single Family – 0.3% (0.2% of Total Investments)  |                    |      |            |
| 215    | Ohio Housing Finance Agency, Single Family Mortgage Revenue Bonds, Series 2006H, 5.000%, 9/01/31 (Alternative Minimum Tax)  | 9/15 at<br>100.00  | Aaa  | 218,833    |
|        | Industrials – 6.5% (4.6% of Total Investments)  |                    |      |            |
| 1,500  | Cleveland-Cuyahoga County Port Authority, Ohio, Common Bond Fund Revenue Bonds, Cleveland Christian Home Project, Series 2002C, 5.950%, 5/15/22   | 5/12 at<br>102.00  | BBB- | 1,505,835  |
| 290    | Cleveland-Cuyahoga County Port Authority, Ohio, Development Revenue Bonds, Bond Fund Program – Columbia National Group Project, Series 2005D, 5.000%, 5/15/20 (Alternative Minimum Tax) | 11/15 at<br>100.00 | BBB- | 288,034    |

Nuveen Investments 51

NXI  
February 29, 2012

Nuveen Ohio Dividend Advantage Municipal Fund (continued)  
Portfolio of Investments

| Principal<br>Amount (000)   | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value            |
|---|---|---------------------------------------|-------------|------------------|
| <b>Industrials (continued)</b>  |   |                                       |             |                  |
| \$ 880  | Ohio State Water Development Authority, Solid Waste Revenue Bonds, Allied Waste Industries, Inc., Series 2007A, 5.150%, 7/15/15 (Alternative Minimum Tax) | 7/12 at 100.00                        | BBB         | \$ 891,730       |
| 1,300   | Toledo-Lucas County Port Authority, Ohio, Revenue Refunding Bonds, CSX Transportation Inc., Series 1992, 6.450%, 12/15/21                                 | No Opt. Call                          | Baa3        | 1,625,416        |
| 700   | Western Reserve Port Authority, Ohio, Solid Waste Facility Revenue Bonds, Central Waste Inc., Series 2007A, 6.350%, 7/01/27 (Alternative Minimum Tax) (5) | 7/17 at 102.00                        | N/R         | 98,028           |
| 4,670   | <b>Total Industrials</b>  |                                       |             | <b>4,409,043</b> |
| <b>Long-Term Care – 1.1% (0.8% of Total Investments)</b>  |   |                                       |             |                  |
| 215   | Franklin County, Ohio, Healthcare Facilities Revenue Bonds, Ohio Presbyterian Retirement Services, Improvement Series 2010A, 5.625%, 7/01/26              | 7/21 at 100.00                        | BBB         | 232,503          |
| 470   | Montgomery County, Ohio, Health Care and Multifamily Housing Revenue Bonds, Saint Leonard, Refunding & improvement Series 2010, 6.625%, 4/01/40           | 4/20 at 100.00                        | BBB–        | 494,102          |
| 685   | <b>Total Long-Term Care</b>   |                                       |             | <b>726,605</b>   |
| <b>Tax Obligation/General – 26.1% (18.3% of Total Investments)</b>                                  |   |                                       |             |                  |
| 125   | Barberton City School District, Summit County, Ohio, General Obligation Bonds, School Improvement Series 2008, 5.250%, 12/01/31                           | 6/18 at 100.00                        | AA          | 138,409          |
| 1,500   | Centerville City School District, Montgomery County, Ohio, General Obligation Bonds, Series 2005, 5.000%, 12/01/30 – AGM Insured                          | 6/15 at 100.00                        | Aa1         | 1,596,405        |
| <b>Columbus City School District, Franklin County, Ohio, General Obligation Bonds, Series 2006:</b> |   |                                       |             |                  |
| 400   | 0.000%, 12/01/27 – AGM Insured  | No Opt. Call                          | AA          | 220,740          |
| 1,735   | 0.000%, 12/01/28 – AGM Insured  | No Opt. Call                          | AA          | 906,069          |
| 400   | Cuyahoga County, Ohio, General Obligation Bonds, Series 2004, 5.000%, 12/01/21  | 12/14 at 100.00                       | AA+         | 444,764          |
| 1,355   | Franklin County, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/27  | 12/17 at 100.00                       | AAA         | 1,567,654        |
| 470   |   |                                       | AA          | 504,583          |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |   |                    |     |           |
|-------|---|--------------------|-----|-----------|
|       | Green, Ohio, General Obligation Bonds, Series 2008, 5.500%, 12/01/32  | 12/15 at<br>100.00 |     |           |
| 2,550 | Hamilton City School District, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/34 – AGM Insured  | 6/17 at<br>100.00  | AA– | 2,701,240 |
| 2,000 | Indian Lake Local School District, Logan and Auglaize Counties, Ohio, School Facilities Improvement and Refunding Bonds, Series 2007, 5.000%, 12/01/34 – NPFG Insured | 6/17 at<br>100.00  | Aa3 | 2,136,340 |
| 500   | Kenston Local School District, Geauga County, Ohio, General Obligation Bonds, Series 2011, 0.000%, 12/01/21   | No Opt. Call       | Aa1 | 387,910   |
| 430   | Lakewood City School District, Cuyahoga County, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/30 – FGIC Insured  | 12/17 at<br>100.00 | Aa2 | 468,365   |
| 400   | Lucas County, Ohio, General Obligation Bonds, Various Purpose Series 2010, 5.000%, 10/01/40   | 10/18 at<br>100.00 | Aa2 | 428,336   |
| 1,005 | Marysville Exempted School District, Union County, Ohio, General Obligation Bonds, Series 2006, 5.000%, 12/01/25 – AGM Insured  | 12/15 at<br>100.00 | AA– | 1,080,244 |
| 200   | Mason City School District, Counties of Warren and Butler, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/31  | 6/17 at<br>100.00  | Aaa | 220,380   |
| 1,000 | Middletown City School District, Butler County, Ohio, General Obligation Bonds, Refunding Series 2007, 5.250%, 12/01/31 – AGM Insured                                 | No Opt. Call       | Aa3 | 1,235,810 |
| 50    | Milford Exempted Village School District, Ohio, General Obligation Bonds, Series 2008, 5.250%, 12/01/36   | 12/18 at<br>100.00 | Aa3 | 54,142    |
| 750   | Northmor Local School District, Morrow County, Ohio, General Obligation School Facilities Construction and Improvement Bonds, Series 2008, 5.000%, 11/01/36           | 11/18 at<br>100.00 | Aa2 | 806,453   |
| 50    | Sylvania City School District, Ohio, General Obligation School Improvement Bonds, Series 1995, 5.250%, 12/01/36 – AGC Insured   | 6/17 at<br>100.00  | Aa2 | 53,557    |

52 Nuveen Investments

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|--|---------------------------------------|-------------|--------------|
|                           | Tax Obligation/General (continued)   |                                       |             |              |
| \$ 2,415                  | Troy City School District, Miami County, Ohio, General Obligation Bonds, Series 2005, 5.000%, 12/01/28 – AGM Insured   | 12/14 at 100.00                       | Aa2         | \$ 2,551,229 |
| 50                        | Vandalia Butler City School District, Montgomery County, Ohio, General Obligation Bonds, School Improvement Series 2009, 5.125%, 12/01/37  | No Opt. Call                          | AA          | 54,615       |
| 17,385                    | Total Tax Obligation/General   |                                       |             | 17,557,245   |
|                           | Tax Obligation/Limited – 26.1% (18.3% of Total Investments)  |                                       |             |              |
| 125                       | Cincinnati City School District, Ohio, Certificates of Participation, Series 2006, 5.000%, 12/15/32 – AGM Insured  | 12/16 at 100.00                       | Aa2         | 140,543      |
| 2,000                     | Cuyhoga County, Ohio, Economic Development Revenue Bonds, Federally Taxable Recovery Zone Facility Medical Mart- Convention Center Project, Series 2010G, 5.000%, 12/01/27             | 12/20 at 100.00                       | AA          | 2,278,980    |
| 50                        | Delaware County District Library, Delaware, Franklin, Marion, Morrow and Union Counties, Ohio, Library Fund Library Facilities Special Obligation Notes, Series 2009, 5.000%, 12/01/34 | 12/19 at 100.00                       | Aa2         | 55,609       |
| 2,000                     | Franklin County Convention Facilities Authority, Ohio, Excise Tax and Lease Revenue Anticipation Bonds, Series 2005, 5.000%, 12/01/27 – AMBAC Insured                                  | 12/15 at 100.00                       | Aaa         | 2,156,180    |
| 525                       | Government of Guam, Business Privilege Tax Bonds, Series 2011A, 5.125%, 1/01/42  | 1/22 at 100.00                        | A           | 570,176      |
| 1,415                     | Hamilton County Convention Facilities Authority, Ohio, First Lien Revenue Bonds, Series 2004, 5.000%, 12/01/21 – FGIC Insured  | 6/14 at 100.00                        | A+          | 1,520,474    |
| 1,500                     | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Lien, Series 2006A, 5.000%, 12/01/32 – AMBAC Insured   | 12/16 at 100.00                       | A1          | 1,612,335    |
| 2,000                     | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Series 2000B, 0.000%, 12/01/28 – AGM Insured   | No Opt. Call                          | AA–         | 979,680      |
| 1,000                     | Hamilton County, Ohio, Sales Tax Revenue Bonds, Refunding Series 2011A, 5.000%, 12/01/31   | 12/21 at 100.00                       | A1          | 1,094,860    |
| 500                       | New Albany Community Authority, Ohio, Community Facilities Revenue Refunding Bonds, Series 2001B, 5.500%, 10/01/15 – AMBAC Insured   | 4/12 at 100.00                        | A1          | 501,855      |
| 685                       | New Albany Community Authority, Ohio, Community Facilities Revenue Refunding bonds,  | 10/22 at 100.00                       | A1          | 794,764      |



Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

Series 2012C, 5.000%, 10/01/24 (WI/DD, Settling  
3/08/12)

|        |   |                    |      |            |
|--------|---|--------------------|------|------------|
| 345    | Ohio State Building Authority, State Facilities<br>Bonds, Administrative Building Fund Projects,<br>Series 2005A, 5.000%, 4/01/25 – AGM Insured           | 4/15 at<br>100.00  | AA   | 383,057    |
| 1,000  | Ohio State Building Authority, State Facilities<br>Bonds, Adult Correctional Building Fund Project,<br>Series 2005A, 5.000%, 4/01/23 – AGM Insured        | 4/15 at<br>100.00  | AA   | 1,116,660  |
| 5,220  | Puerto Rico Sales Tax Financing Corporation,<br>Sales Tax Revenue Bonds, First Subordinate<br>Series 2009A, 0.000%, 8/01/34                               | No Opt. Call       | A+   | 1,582,234  |
| 5,250  | Puerto Rico Sales Tax Financing Corporation,<br>Sales Tax Revenue Bonds, Series 2010A, 0.000%,<br>8/01/35   | No Opt. Call       | A+   | 1,471,470  |
| 1,280  | Virgin Islands Public Finance Authority, Gross<br>Receipts Taxes Loan Note, Series 1999A, 6.375%,<br>10/01/19   | 4/12 at<br>100.00  | BBB+ | 1,283,469  |
| 24,895 | Total Tax Obligation/Limited<br>Transportation – 0.6% (0.4% of Total Investments)   |                    |      | 17,542,346 |
| 425    | Dayton, Ohio, Airport Revenue Bonds, James M.<br>Cox International Airport, Series 2003C, 5.250%,<br>12/01/23 – RAAI Insured (Alternative Minimum<br>Tax) | 12/13 at<br>100.00 | A–   | 436,947    |

Nuveen Investments 53

NXI  
February 29, 2012

Nuveen Ohio Dividend Advantage Municipal Fund (continued)  
Portfolio of Investments

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|---|---------------------------------------|-------------|--------------|
|                           | U.S. Guaranteed – 17.2% (12.1% of Total Investments) (6)  |                                       |             |              |
| \$ 1,000                  | Columbus City School District, Franklin County, Ohio, General Obligation Bonds, Series 2004, 5.500%, 12/01/15 (Pre-refunded 12/01/14) – AGM Insured                   | 12/14 at 100.00                       | AA (6)      | \$ 1,137,720 |
|                           | Cuyahoga County, Ohio, Revenue Refunding Bonds, Cleveland Clinic Health System, Series 2003A:   |                                       |             |              |
| 560                       | 6.000%, 1/01/32 (Pre-refunded 7/01/13)  | 7/13 at 100.00                        | Aa2 (6)     | 602,812      |
| 540                       | 6.000%, 1/01/32 (Pre-refunded 7/01/13)  | 7/13 at 100.00                        | Aa2 (6)     | 581,283      |
| 1,000                     | Lakewood City School District, Cuyahoga County, Ohio, General Obligation Bonds, Series 2004, 5.250%, 12/01/16 (Pre-refunded 12/01/14) – AGM Insured                   | 12/14 at 100.00                       | Aa2 (6)     | 1,133,840    |
| 1,000                     | Middletown City School District, Butler County, Ohio, General Obligation Bonds, Series 2004, 5.000%, 12/01/25 (Pre-refunded 12/01/13) – FGIC Insured                  | 12/13 at 100.00                       | N/R (6)     | 1,082,930    |
| 325                       | Ohio Water Development Authority, Revenue Bonds, Drinking Water Assistance Fund, State Match, Series 2008, 5.000%, 6/01/28 (Pre-refunded 6/01/18) – AGM Insured       | 6/18 at 100.00                        | AAA         | 404,349      |
| 1,645                     | Ohio Water Development Authority, Revenue Bonds, Water Development Community Assistance Program, Series 2003, 5.000%, 12/01/23 (Pre-refunded 12/01/13) – NPFG Insured | 12/13 at 100.00                       | Aa1 (6)     | 1,781,420    |
| 1,900                     | Olentangy Local School District, Delaware and Franklin Counties, Ohio, General Obligation Bonds, Series 2004A, 5.250%, 12/01/23 (Pre-refunded 6/01/14) – FGIC Insured | 6/14 at 100.00                        | AA+ (6)     | 2,110,425    |
| 2,735                     | University of Cincinnati, Ohio, General Receipts Bonds, Series 2002F, 5.375%, 6/01/19 (Pre-refunded 6/01/12)  | 6/12 at 100.00                        | AA– (6)     | 2,771,701    |
| 10,705                    | Total U.S. Guaranteed   |                                       |             | 11,606,480   |
|                           | Utilities – 9.9% (7.0% of Total Investments)  |                                       |             |              |
|                           | American Municipal Power Ohio Inc., General Revenue Bonds, Prairie State Energy Campus Project Series 2008A:  |                                       |             |              |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |  |                    |      |           |
|-------|--|--------------------|------|-----------|
| 50    | 5.000%, 2/15/38 – AGC Insured  | 2/18 at<br>100.00  | AA–  | 53,379    |
| 1,000 | 5.250%, 2/15/43  | 2/18 at<br>100.00  | A1   | 1,077,510 |
| 1,440 | American Municipal Power Ohio Inc.,<br>Wadsworth, Electric System Improvement<br>Revenue Bonds, Series 2002, 5.250%, 2/15/17 –<br>NPFPG Insured  | 8/12 at<br>100.00  | A1   | 1,444,867 |
| 2,130 | Cleveland, Ohio, Public Power System Revenue<br>Bonds, Series 2008B-2, 0.000%, 11/15/32 – NPFPG<br>Insured   | No Opt. Call       | A2   | 785,501   |
| 2,265 | Ohio Air Quality Development Authority,<br>Revenue Refunding Bonds, Ohio Power Company<br>Project, Series 1999C, 5.150%, 5/01/26 – AMBAC<br>Insured                                    | 5/12 at<br>100.00  | Baa1 | 2,267,378 |
| 1,000 | Ohio Municipal Electric Generation Agency,<br>Beneficial Interest Certificates, Belleville<br>Hydroelectric Project – Joint Venture 5, Series<br>2004, 5.000%, 2/15/21 – AMBAC Insured | 2/14 at<br>100.00  | A1   | 1,050,610 |
| 7,885 | Total Utilities<br>Water and Sewer – 5.4% (3.8% of Total<br>Investments)   |                    |      | 6,679,245 |
| 175   | City of Marysville, Ohio, Water System Mortgage<br>Revenue Bonds, Series 2007, 5.000%, 12/01/32 –<br>AMBAC Insured   | 12/17 at<br>100.00 | A1   | 187,201   |
| 925   | Ironton, Ohio, Sewer System Improvement<br>Revenue Bonds, Series 2011, 5.250%, 12/01/40 –<br>AGM Insured   | 12/20 at<br>100.00 | Aa3  | 1,017,898 |
| 500   | Marysville, Ohio, Wastewater Treatment System<br>Revenue Bonds, Series 2006, 5.250%, 12/01/24 –<br>SYNCORA GTY Insured   | 12/16 at<br>100.00 | A–   | 545,760   |

54 Nuveen Investments

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value         |
|---------------------------|---|---------------------------------------|-------------|---------------|
|                           | <b>Water and Sewer (continued)</b>  |                                       |             |               |
| \$ 730                    | Ohio Water Development Authority, Revenue Bonds, Water Development Community Assistance Program, Series 2003, 5.000%, 12/01/23 – NPMG Insured | 12/13 at 100.00                       | Aa1         | \$ 777,399    |
| 1,000                     | Puerto Rico Aqueduct and Sewerage Authority, Revenue Bonds, Senior Lien Series 2008A, 6.000%, 7/01/44   | 7/18 at 100.00                        | Baa2        | 1,075,300     |
| 3,330                     | Total Water and Sewer   |                                       |             | 3,603,558     |
| \$ 102,570                | Total Investments (cost \$88,891,152) – 142.5%  |                                       |             | 95,923,197    |
|                           | MuniFund Term Preferred Shares, at Liquidation Value – (46.2)% (7)  |                                       |             | (31,103,400)  |
|                           | Other Assets Less Liabilities – 3.7%  |                                       |             | 2,472,335     |
|                           | Net Assets Applicable to Common Shares – 100%   |                                       |             | \$ 67,292,132 |

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
  - (2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): 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 (not covered by the report of independent registered public accounting firm): 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) At or subsequent to the end of the reporting period, this security is non-income producing. Non-income producing security, in the case of a bond, generally denotes that the issuer has (1) defaulted on the payment of principal or interest, (2) is under the protection of the Federal Bankruptcy Court or (3) the Fund’s Adviser has concluded that the issue is not likely to meet its future interest payment obligations and has directed the Fund’s custodian to cease accruing additional income on the Fund’s records.
  - (6) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, which ensure the timely payment of principal and interest. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities.
  - (7) MuniFund Term Preferred Shares, at Liquidation Value as a percentage of Total Investments is 32.4%.
- N/R Not rated.  
 WI/DD Purchased on a when-issued or delayed delivery basis.  
 (IF) Inverse floating rate investment.

See accompanying notes to financial statements.



NBJ Nuveen Ohio Dividend Advantage Municipal Fund 2  
Portfolio of Investments

February 29, 2012

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------|---|---------------------------------------|-------------|------------|
|                           | Consumer Staples – 5.3% (3.6% of Total Investments)   |                                       |             |            |
| \$ 400                    | Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Revenue Bonds, Senior Lien, Series 2007A-1, 5.000%, 6/01/16 | No Opt. Call                          | A3          | \$ 426,904 |
|                           | Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Revenue Bonds, Senior Lien, Series 2007A-2:                 |                                       |             |            |
| 1,000                     | 5.125%, 6/01/24   | 6/17 at 100.00                        | B–          | 786,510    |
| 1,750                     | 5.875%, 6/01/47   | 6/17 at 100.00                        | B–          | 1,306,183  |
| 45                        | Puerto Rico, The Children’s Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33                             | 5/12 at 100.00                        | BBB         | 44,519     |
| 3,195                     | Total Consumer Staples  |                                       |             | 2,564,116  |
|                           | Education and Civic Organizations – 12.1% (8.3% of Total Investments)   |                                       |             |            |
| 1,345                     | Bowling Green State University, Ohio, General Receipts Bonds, Series 2003, 5.250%, 6/01/18 – AMBAC Insured  | 6/13 at 100.00                        | A+          | 1,408,713  |
| 490                       | Miami University of Ohio, General Receipts Bonds, Series 2011, 5.000%, 9/01/36  | 9/21 at 100.00                        | Aa3         | 550,471    |
| 450                       | Ohio Higher Education Facilities Commission, General Revenue Bonds, Kenyon College, Series 2006, 5.000%, 7/01/41                                  | 7/16 at 100.00                        | A+          | 467,829    |
| 1,050                     | Ohio Higher Educational Facilities Commission, Revenue Bonds, Wittenberg University, Series 2001, 5.500%, 12/01/15                                | 6/12 at 100.00                        | Ba1         | 1,050,735  |
| 1,000                     | University of Cincinnati, Ohio, General Receipts Bonds, Series 2003C, 5.000%, 6/01/22 – FGIC Insured  | 6/13 at 100.00                        | AA–         | 1,051,990  |
| 1,245                     | University of Cincinnati, Ohio, General Receipts Bonds, Series 2004D, 5.000%, 6/01/19 – AMBAC Insured   | 6/14 at 100.00                        | AA–         | 1,353,726  |
| 5,580                     | Total Education and Civic Organizations   |                                       |             | 5,883,464  |
|                           | Health Care – 25.7% (17.7% of Total Investments)  |                                       |             |            |
| 250                       | Allen County, Ohio, Hospital Facilities Revenue Bonds, Catholic Healthcare Partners, Series 2010A, 5.250%, 6/01/38                                | 6/20 at 100.00                        | AA–         | 266,968    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |  |                    |      |           |
|-------|--|--------------------|------|-----------|
| 1,000 | Butler County, Ohio, Hospital Facilities Revenue Bonds, UC Health, Series 2010, 5.500%, 11/01/40   | 11/20 at<br>100.00 | BBB+ | 1,053,820 |
| 1,090 | Butler County, Ohio, Hospital Facilities Revenue Bonds, Cincinnati Children's Medical Center Project, Series 2006K, 5.000%, 5/15/31 – FGIC Insured | 5/16 at<br>100.00  | N/R  | 1,100,835 |
| 300   | Franklin County, Ohio, Hospital Revenue Bonds, Nationwide Children's Hospital Project, Improvement Series 2009, 5.250%, 11/01/40                   | 11/19 at<br>100.00 | Aa2  | 322,803   |
| 250   | Franklin County, Ohio, Hospital Revenue Bonds, Nationwide Children's Hospital Project, Series 2005, 5.000%, 11/01/40                               | 11/18 at<br>100.00 | Aa2  | 262,483   |
| 480   | Franklin County, Ohio, Hospital Revenue Bonds, OhioHealth Corporation, Tender Option Bond Trust 11-21B, 9.274%, 11/15/41 (IF) (4)                  | 11/21 at<br>100.00 | AA   | 545,011   |
| 600   | Hancock County, Ohio, Hospital Revenue Bonds, Blanchard Valley Regional Health Center, Series 2011A, 6.250%, 12/01/34                              | 6/21 at<br>100.00  | A3   | 689,748   |
| 865   | Lake County, Ohio, Hospital Facilities Revenue Bonds, Lake Hospital System, Inc., Refunding Series 2008C, 6.000%, 8/15/43                          | 8/18 at<br>100.00  | Baa1 | 914,435   |
| 200   | Lorain County, Ohio, Hospital Revenue Refunding and Improvement Bonds, Catholic Healthcare Partners, Refunding Series 2002, 5.375%, 10/01/30       | 10/12 at<br>100.00 | AA–  | 201,944   |
|       | Lorain County, Ohio, Hospital Revenue Refunding and Improvement Bonds, Catholic Healthcare Partners, Series 2001A:                                 |                    |      |           |
| 1,850 | 5.400%, 10/01/21   | 4/12 at<br>101.00  | AA–  | 1,873,847 |
| 100   | 5.250%, 10/01/33   | No Opt. Call       | AA–  | 101,101   |
| 460   | Lucas County, Ohio, Hospital Revenue Bonds, ProMedica Healthcare Obligated Group, Series 2011A, 6.000%, 11/15/41                                   | 11/21 at<br>100.00 | AA–  | 538,453   |
| 225   | Miami County, Ohio, Hospital Facilities Revenue Refunding Bonds, Upper Valley Medical Center Inc., Series 2006, 5.250%, 5/15/21                    | 5/16 at<br>100.00  | A2   | 242,539   |

56 Nuveen Investments

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------|---|---------------------------------------|-------------|------------|
|                           | Health Care (continued)   |                                       |             |            |
| \$ 120                    | Middleburg Heights, Ohio, Hospital Facilities Revenue Bonds, Southwest General Health Center Project, Refunding Series 2011, 5.250%, 8/01/41                | 8/21 at 100.00                        | A2          | \$ 127,081 |
| 700                       | Montgomery County, Ohio, Revenue Bonds, Catholic Health Initiatives, Series 2004A, 5.000%, 5/01/30  | 5/14 at 100.00                        | AA          | 721,224    |
| 90                        | Montgomery County, Ohio, Revenue Bonds, Miami Valley Hospital, Series 2009A, 6.250%, 11/15/39   | 11/14 at 100.00                       | Aa3         | 95,779     |
| 35                        | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, Cleveland Clinic Health System Obligated Group, Series 2008A, 5.000%, 1/01/25  | 1/18 at 100.00                        | Aa2         | 38,851     |
|                           | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, Summa Health System Project, Series 2010:                                      |                                       |             |            |
| 400                       | 5.750%, 11/15/40 – AGM Insured  | 5/20 at 100.00                        | AA–         | 438,176    |
| 40                        | 5.250%, 11/15/40 – AGM Insured  | 5/20 at 100.00                        | AA–         | 42,626     |
| 100                       | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, University Hospitals Health System, Series 2009, 6.750%, 1/15/39               | 1/15 at 100.00                        | A           | 106,517    |
| 200                       | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Series 2009A, 5.500%, 1/01/39                        | 1/19 at 100.00                        | Aa2         | 218,722    |
|                           | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Tender Option Bond Trust 3551:                       |                                       |             |            |
| 125                       | 19.956%, 1/01/17 (IF)   | No Opt. Call                          | Aa2         | 164,355    |
| 1,000                     | 20.182%, 1/01/33 (IF)   | 1/19 at 100.00                        | Aa2         | 1,374,440  |
| 375                       | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Tender Option Bond Trust 3591, 20.340%, 1/01/17 (IF) | No Opt. Call                          | Aa2         | 515,415    |
| 350                       | Richland County, Ohio, Hospital Revenue Bonds, MidCentral Health System Group, Series 2006, 5.250%, 11/15/36  | 11/16 at 100.00                       | A–          | 363,339    |
| 190                       | Ross County, Ohio, Hospital Revenue Refunding Bonds, Adena Health System Series 2008, 5.750%, 12/01/35  | 12/18 at 100.00                       | A           | 204,892    |
| 11,395                    | Total Health Care   |                                       |             | 12,525,404 |



Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

Housing/Multifamily – 4.6% (3.2% of Total Investments)

|       |  |                 |      |           |
|-------|--|-----------------|------|-----------|
| 1,000 | Franklin County, Ohio, GNMA Collateralized Multifamily Housing Mortgage Revenue Bonds, Agler Project, Series 2002A, 5.550%, 5/20/22 (Alternative Minimum Tax)  | 5/12 at 102.00  | Aaa  | 1,023,390 |
| 250   | Montgomery County, Ohio, GNMA Guaranteed Multifamily Housing Revenue Bonds, Canterbury Court Project, Series 2007, 5.500%, 10/20/42 (Alternative Minimum Tax)  | 10/18 at 101.00 | Aa1  | 265,423   |
| 215   | Ohio Housing Finance Agency, FHA-Insured Multifamily Housing Mortgage Revenue Bonds, Madonna Homes, Series 2006M, 4.900%, 6/20/48 (Alternative Minimum Tax)    | 6/16 at 102.00  | Aaa  | 218,825   |
| 690   | Summit County Port Authority, Ohio, Multifamily Housing Revenue Bonds, Callis Tower Apartments Project, Series 2007, 5.250%, 9/20/47 (Alternative Minimum Tax) | 9/17 at 102.00  | Aaa  | 717,628   |
| 2,155 | Total Housing/Multifamily  |                 |      | 2,225,266 |
|       | Housing/Single Family – 0.9% (0.6% of Total Investments)   |                 |      |           |
| 425   | Ohio Housing Finance Agency, Single Family Mortgage Revenue Bonds, Series 2006H, 5.000%, 9/01/31 (Alternative Minimum Tax)                                     | 9/15 at 100.00  | Aaa  | 432,578   |
|       | Industrials – 10.2% (7.0% of Total Investments)  |                 |      |           |
| 3,000 | Ohio State Sewage and Solid Waste Disposal Facilities, Revenue Bonds, Anheuser-Busch Project, Series 2001, 5.500%, 11/01/35 (Alternative Minimum Tax)          | 5/12 at 100.00  | A–   | 3,002,968 |
| 640   | Ohio State Water Development Authority, Solid Waste Revenue Bonds, Allied Waste Industries, Inc., Series 2007A, 5.150%, 7/15/15 (Alternative Minimum Tax)      | 7/12 at 100.00  | BBB  | 648,531   |
| 1,000 | Toledo-Lucas County Port Authority, Ohio, Revenue Refunding Bonds, CSX Transportation Inc., Series 1992, 6.450%, 12/15/21                                      | No Opt. Call    | Baa3 | 1,250,320 |
| 500   | Western Reserve Port Authority, Ohio, Solid Waste Facility Revenue Bonds, Central Waste Inc., Series 2007A, 6.350%, 7/01/27 (Alternative Minimum Tax) (5)      | 7/17 at 102.00  | N/R  | 70,020    |
| 5,140 | Total Industrials  |                 |      | 4,971,839 |

Nuveen Investments 57

NBJ  
February 29, 2012

Nuveen Ohio Dividend Advantage Municipal Fund 2 (continued)  
Portfolio of Investments

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------|--|---------------------------------------|-------------|------------|
|                           | Long-Term Care – 0.9% (0.7% of Total Investments)  |                                       |             |            |
| \$ 95                     | Franklin County, Ohio, Healthcare Facilities Revenue Bonds, Ohio Presbyterian Retirement Services, Improvement Series 2010A, 5.625%, 7/01/26             | 7/21 at 100.00                        | BBB         | \$ 102,734 |
| 340                       | Montgomery County, Ohio, Health Care and Multifamily Housing Revenue Bonds, Saint Leonard, Refunding & improvement Series 2010, 6.625%, 4/01/40          | 4/20 at 100.00                        | BBB–        | 357,435    |
| 435                       | Total Long-Term Care   |                                       |             | 460,169    |
|                           | Tax Obligation/General – 38.6% (26.6% of Total Investments)  |                                       |             |            |
|                           | Cleveland Municipal School District, Cuyahoga County, Ohio, General Obligation Bonds, Series 2004:   |                                       |             |            |
| 1,000                     | 5.000%, 12/01/15 – AGM Insured   | 6/14 at 100.00                        | AA          | 1,094,110  |
| 1,000                     | 5.000%, 12/01/22 – AGM Insured   | 6/14 at 100.00                        | AA          | 1,092,510  |
| 1,000                     | Cleveland, Ohio, General Obligation Bonds, Series 2011, 5.000%, 12/01/29   | 12/19 at 100.00                       | AA          | 1,103,560  |
| 1,140                     | Columbia Local School District, Lorain County, Ohio, General Obligation Bonds, School Facilities Improvement Series 2011, 5.000%, 11/01/39 – AGM Insured | 11/21 at 100.00                       | Aa3         | 1,262,949  |
|                           | Columbus City School District, Franklin County, Ohio, General Obligation Bonds, Series 2006:   |                                       |             |            |
| 2,095                     | 0.000%, 12/01/27 – AGM Insured   | No Opt. Call                          | AA          | 1,156,126  |
| 100                       | 0.000%, 12/01/28 – AGM Insured   | No Opt. Call                          | AA          | 52,223     |
| 400                       | Cuyahoga County, Ohio, General Obligation Bonds, Series 2004, 5.000%, 12/01/21   | 12/14 at 100.00                       | AA+         | 444,764    |
| 1,000                     | Franklin County, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/27   | 12/17 at 100.00                       | AAA         | 1,156,940  |
| 400                       | Green, Ohio, General Obligation Bonds, Series 2008, 5.500%, 12/01/32   | 12/15 at 100.00                       | AA          | 429,432    |
| 1,905                     | Hamilton City School District, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/34 – AGM Insured   | 6/17 at 100.00                        | AA–         | 2,017,984  |
| 1,000                     | Indian Lake Local School District, Logan and Auglaize Counties, Ohio, School Facilities  | 6/17 at 100.00                        | Aa3         | 1,068,170  |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

Improvement and Refunding Bonds, Series 2007,  
5.000%,  
12/01/34 – NPMG Insured

|        |  |                 |     |            |
|--------|--|-----------------|-----|------------|
| 500    | Kenston Local School District, Geauga County, Ohio, General Obligation Bonds, Series 2011, 0.000%, 12/01/21  | No Opt. Call    | Aa1 | 387,910    |
| 345    | Lakewood City School District, Cuyahoga County, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/30 – FGIC Insured   | 12/17 at 100.00 | Aa2 | 375,781    |
| 400    | Lucas County, Ohio, General Obligation Bonds, Various Purpose Series 2010, 5.000%, 10/01/40  | 10/18 at 100.00 | Aa2 | 428,336    |
| 1,005  | Marysville Exempted School District, Union County, Ohio, General Obligation Bonds, Series 2006, 5.000%, 12/01/25 – AGM Insured   | 12/15 at 100.00 | AA- | 1,080,244  |
| 200    | Mason City School District, Counties of Warren and Butler, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/31   | 6/17 at 100.00  | Aaa | 220,380    |
| 1,500  | Middletown City School District, Butler County, Ohio, General Obligation Bonds, Refunding Series 2007, 5.250%, 12/01/31 – AGM Insured  | No Opt. Call    | Aa3 | 1,853,715  |
| 50     | Milford Exempted Village School District, Ohio, General Obligation Bonds, Series 2008, 5.250%, 12/01/36  | 12/18 at 100.00 | Aa3 | 54,142     |
| 2,665  | Newark City School District, Licking County, Ohio, General Obligation Bonds, Series 2005, 5.000%, 12/01/28 – FGIC Insured  | 12/15 at 100.00 | A+  | 2,831,907  |
| 400    | Northmor Local School District, Morrow County, Ohio, General Obligation School Facilities Construction and Improvement Bonds, Series 2008, 5.000%, 11/01/36                            | 11/18 at 100.00 | Aa2 | 430,108    |
| 50     | Sylvania City School District, Ohio, General Obligation School Improvement Bonds, Series 1995, 5.250%, 12/01/36 – AGC Insured  | 6/17 at 100.00  | Aa2 | 53,557     |
| 200    | Vandalia Butler City School District, Montgomery County, Ohio, General Obligation Bonds, School Improvement Series 2009, 5.125%, 12/01/37  | No Opt. Call    | AA  | 218,458    |
| 18,355 | Total Tax Obligation/General Tax Obligation/Limited – 21.8% (15.0% of Total Investments)   |                 |     | 18,813,306 |
| 500    | Cuyhoga County, Ohio, Economic Development Revenue Bonds, Federally Taxable Recovery Zone Facility Medical Mart- Convention Center Project, Series 2010G, 5.000%, 12/01/27             | 12/20 at 100.00 | AA  | 569,745    |
| 175    | Delaware County District Library, Delaware, Franklin, Marion, Morrow and Union Counties, Ohio, Library Fund Library Facilities Special Obligation Notes, Series 2009, 5.000%, 12/01/34 | 12/19 at 100.00 | Aa2 | 194,632    |



Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------|---|---------------------------------------|-------------|------------|
|                           | Tax Obligation/Limited (continued)  |                                       |             |            |
| \$ 395                    | Government of Guam, Business Privilege Tax Bonds, Series 2011A, 5.125%, 1/01/42   | 1/22 at 100.00                        | A           | \$ 428,990 |
| 1,000                     | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Lien, Series 2006A, 5.000%, 12/01/32 – AMBAC Insured  | 12/16 at 100.00                       | A1          | 1,074,890  |
| 2,500                     | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Series 2000B, 0.000%, 12/01/28 – AGM Insured  | No Opt. Call                          | AA–         | 1,224,600  |
| 1,000                     | Hamilton County, Ohio, Sales Tax Revenue Bonds, Refunding Series 2011A, 5.000%, 12/01/31  | 12/21 at 100.00                       | A1          | 1,094,860  |
| 140                       | New Albany Community Authority, Ohio, Community Facilities Refunding Bonds, Series 2012C, 5.000%, 10/01/24 (WI/DD, Settling 3/08/12)                | 10/22 at 100.00                       | A1          | 162,434    |
| 250                       | Ohio State Building Authority, State Facilities Bonds, Administrative Building Fund Projects, Series 2005A, 5.000%, 4/01/25 – AGM Insured           | 4/15 at 100.00                        | AA          | 277,578    |
| 1,000                     | Ohio State Building Authority, State Facilities Bonds, Adult Correctional Building Fund Project, Series 2005A, 5.000%, 4/01/23 – AGM Insured        | 4/15 at 100.00                        | AA          | 1,116,660  |
| 1,095                     | Ohio, State Appropriation Lease Bonds, Parks and Recreation Capital Facilities, Series 2004A-II, 5.000%, 12/01/18                                   | 12/13 at 100.00                       | AA          | 1,169,471  |
| 4,065                     | Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, First Subordinate Series 2009A, 0.000%, 8/01/34                               | No Opt. Call                          | A+          | 1,232,142  |
| 3,940                     | Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, Series 2010A, 0.000%, 8/01/35   | No Opt. Call                          | A+          | 1,104,303  |
| 1,000                     | Summit County Port Authority, Ohio, Revenue Bonds, Civic Theatre Project, Series 2001, 5.500%, 12/01/26 – AMBAC Insured                             | 6/12 at 100.00                        | N/R         | 949,330    |
| 17,060                    | Total Tax Obligation/Limited<br>Transportation – 1.1% (0.8% of Total Investments)   |                                       |             | 10,599,635 |
| 500                       | Cleveland, Ohio, Airport System Revenue Bonds, Series 2012A, 5.000%, 1/01/31 – AGM Insured  | 1/22 at 100.00                        | AA–         | 536,735    |
|                           | U.S. Guaranteed – 14.0% (9.7% of Total Investments) (6)   |                                       |             |            |
| 605                       | Columbus City School District, Franklin County, Ohio, General Obligation Bonds, Series 2004, 5.500%, 12/01/15 (Pre-refunded 12/01/14) – AGM Insured | 12/14 at 100.00                       | AA (6)      | 688,321    |
| 2,420                     |   |                                       | Aa2 (6)     | 2,517,572  |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |  |                    |         |           |
|-------|--|--------------------|---------|-----------|
|       | Lorain County, Ohio, Limited Tax General<br>Obligation Justice Center Bonds, Series 2002,<br>5.500%, 12/01/22 (Pre-refunded 12/01/12) – FGIC<br>Insured                                    | 12/12 at<br>100.00 |         |           |
| 1,000 | Marysville Exempted Village School District,<br>Ohio, Certificates of Participation, School<br>Facilities Project, Series 2005, 5.250%, 12/01/21<br>(Pre-refunded 6/01/15) – NPMFG Insured | 6/15 at<br>100.00  | N/R (6) | 1,154,840 |
| 210   | Ohio Water Development Authority, Revenue<br>Bonds, Drinking Water Assistance Fund, State<br>Match, Series 2008, 5.000%, 6/01/28<br>(Pre-refunded 6/01/18) – AGM Insured                   | 6/18 at<br>100.00  | AAA     | 261,272   |
| 1,050 | Olentangy Local School District, Delaware and<br>Franklin Counties, Ohio, General Obligation<br>Bonds, Series 2004A, 5.500%, 12/01/15<br>(Pre-refunded 6/01/14) – FGIC Insured             | 6/14 at<br>100.00  | AA+ (6) | 1,172,189 |
| 1,000 | Powell, Ohio, General Obligation Bonds, Series<br>2002, 5.500%, 12/01/25 (Pre-refunded 12/01/12) –<br>FGIC Insured   | 12/12 at<br>100.00 | AA+ (6) | 1,040,240 |
| 6,285 | Total U.S. Guaranteed<br>Utilities – 9.4% (6.5% of Total Investments)  |                    |         | 6,834,434 |
| 1,000 | American Municipal Power Ohio Inc., General<br>Revenue Bonds, Prairie State Energy Campus<br>Project Series 2008A, 5.250%, 2/15/43   | 2/18 at<br>100.00  | A1      | 1,077,510 |
| 1,065 | Cleveland, Ohio, Public Power System Revenue<br>Bonds, Series 2008B-2, 0.000%, 11/15/32 – NPMFG<br>Insured   | No Opt. Call       | A2      | 392,751   |
| 2,500 | Ohio Air Quality Development Authority,<br>Revenue Refunding Bonds, Ohio Power Company<br>Project, Series 1999C, 5.150%, 5/01/26 – AMBAC<br>Insured  | 5/12 at<br>100.00  | Baa1    | 2,502,623 |
| 595   | Ohio Municipal Electric Generation Agency,<br>Beneficial Interest Certificates, Belleville<br>Hydroelectric Project – Joint Venture 5, Series<br>2004, 5.000%, 2/15/20 – AMBAC Insured     | 2/14 at<br>100.00  | A1      | 627,285   |
| 5,160 | Total Utilities  |                    |         | 4,600,169 |

Nuveen Investments 59

NBJ  
February 29, 2012

Nuveen Ohio Dividend Advantage Municipal Fund 2 (continued)  
Portfolio of Investments

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value         |
|---------------------------|--|---------------------------------------|-------------|---------------|
|                           | Water and Sewer – 0.4% (0.3% of Total Investments)   |                                       |             |               |
| \$ 130                    | City of Marysville, Ohio, Water System Mortgage Revenue Bonds, Series 2007, 5.000%, 12/01/32 – AMBAC Insured | 12/17 at 100.00                       | A1          | \$ 139,064    |
| 50                        | Ironton, Ohio, Sewer System Improvement Revenue Bonds, Series 2011, 5.250%, 12/01/40 – AGM Insured           | 12/20 at 100.00                       | Aa3         | 55,022        |
| 180                       | Total Water and Sewer  |                                       |             | 194,086       |
| \$ 75,865                 | Total Investments (cost \$65,719,031) – 145.0%   |                                       |             | 70,641,201    |
|                           | MuniFund Term Preferred Shares, at Liquidation Value – (49.8)% (7)   |                                       |             | (24,244,000)  |
|                           | Other Assets Less Liabilities – 4.8%   |                                       |             | 2,310,162     |
|                           | Net Assets Applicable to Common Shares – 100%  |                                       |             | \$ 48,707,363 |

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
  - (2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): 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 (not covered by the report of independent registered public accounting firm): 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) At or subsequent to the end of the reporting period, this security is non-income producing. Non-income producing security, in the case of a bond, generally denotes that the issuer has (1) defaulted on the payment of principal or interest, (2) is under the protection of the Federal Bankruptcy Court or (3) the Fund's Adviser has concluded that the issue is not likely to meet its future interest payment obligations and has directed the Fund's custodian to cease accruing additional income on the Fund's records.
  - (6) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, which ensure the timely payment of principal and interest. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities.
  - (7) MuniFund Term Preferred Shares, at Liquidation Value as a percentage of Total Investments is 34.3%.
- N/R Not rated.

WI/DD Purchased on a when-issued or delayed delivery basis.  
(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

60 Nuveen Investments

---



NVJ Nuveen Ohio Dividend Advantage Municipal Fund 3  
Portfolio of Investments  
February 29, 2012

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value      |
|---------------------------|--|---------------------------------------|-------------|------------|
|                           | Consumer Staples – 6.7% (4.5% of Total Investments)  |                                       |             |            |
|                           | Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Revenue Bonds, Senior Lien, Series 2007A-2:                  |                                       |             |            |
| \$ 1,000                  | 5.125%, 6/01/24  | 6/17 at 100.00                        | B–          | \$ 786,510 |
| 2,000                     | 5.875%, 6/01/47  | 6/17 at 100.00                        | B–          | 1,492,780  |
| 20                        | Puerto Rico, The Children’s Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33                              | 5/12 at 100.00                        | BBB         | 19,786     |
| 3,020                     | Total Consumer Staples   |                                       |             | 2,299,076  |
|                           | Education and Civic Organizations – 7.0% (4.7% of Total Investments)   |                                       |             |            |
| 275                       | Miami University of Ohio, General Receipts Bonds, Series 2011, 5.000%, 9/01/36   | 9/21 at 100.00                        | Aa3         | 308,938    |
| 350                       | Ohio Higher Education Facilities Commission, General Revenue Bonds, Kenyon College, Series 2006, 5.000%, 7/01/41                                   | 7/16 at 100.00                        | A+          | 363,867    |
| 1,125                     | Ohio Higher Education Facilities Commission, Revenue Bonds, Ohio Northern University, Series 2002, 5.750%, 5/01/16                                 | 5/12 at 100.00                        | Baa2        | 1,130,591  |
| 650                       | Ohio Higher Education Facilities Commission, Revenue Bonds, Wittenberg University, Series 2005, 5.000%, 12/01/24                                   | 12/15 at 100.00                       | Ba1         | 593,112    |
| 2,400                     | Total Education and Civic Organizations  |                                       |             | 2,396,508  |
|                           | Health Care – 32.3% (21.4% of Total Investments)   |                                       |             |            |
| 200                       | Allen County, Ohio, Hospital Facilities Revenue Bonds, Catholic Healthcare Partners, Series 2010A, 5.250%, 6/01/38                                 | 6/20 at 100.00                        | AA–         | 213,574    |
| 695                       | Butler County, Ohio, Hospital Facilities Revenue Bonds, Cincinnati Children’s Medical Center Project, Series 2006K, 5.000%, 5/15/31 – FGIC Insured | 5/16 at 100.00                        | N/R         | 701,908    |
| 600                       | Franklin County, Ohio, Hospital Revenue Bonds, Nationwide Children’s Hospital Project, Improvement Series 2009, 5.250%, 11/01/40                   | 11/19 at 100.00                       | Aa2         | 645,606    |
| 420                       | Franklin County, Ohio, Hospital Revenue Bonds, Nationwide Children’s Hospital Project, Series 2005, 5.000%, 11/01/40                               | 11/18 at 100.00                       | Aa2         | 440,971    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|       |   |                    |      |           |
|-------|---|--------------------|------|-----------|
| 320   | Franklin County, Ohio, Hospital Revenue Bonds, OhioHealth Corporation, Tender Option Bond Trust 11-21B, 9.274%, 11/15/41 (IF) (4)                     | 11/21 at<br>100.00 | AA   | 363,341   |
| 625   | Hancock County, Ohio, Hospital Revenue Bonds, Blanchard Valley Regional Health Center, Series 2011A, 6.250%, 12/01/34                                 | 6/21 at<br>100.00  | A3   | 718,488   |
| 1,000 | Lake County, Ohio, Hospital Facilities Revenue Bonds, Lake Hospital System, Inc., Refunding Series 2008C, 6.000%, 8/15/43                             | 8/18 at<br>100.00  | Baa1 | 1,057,150 |
| 300   | Lorain County, Ohio, Hospital Revenue Refunding and Improvement Bonds, Catholic Healthcare Partners, Refunding Series 2002, 5.375%, 10/01/30          | 10/12 at<br>100.00 | AA-  | 302,916   |
| 500   | Lorain County, Ohio, Hospital Revenue Refunding and Improvement Bonds, Catholic Healthcare Partners, Series 2001A, 5.250%, 10/01/33                   | No Opt. Call       | AA-  | 505,505   |
| 550   | Lucas County, Ohio, Hospital Revenue Bonds, ProMedica Healthcare Obligated Group, Series 2011A, 6.000%, 11/15/41                                      | 11/21 at<br>100.00 | AA-  | 643,803   |
| 160   | Miami County, Ohio, Hospital Facilities Revenue Refunding Bonds, Upper Valley Medical Center Inc., Series 2006, 5.250%, 5/15/21                       | 5/16 at<br>100.00  | A2   | 172,472   |
| 100   | Middleburg Heights, Ohio, Hospital Facilities Revenue Bonds, Southwest General Health Center Project, Refunding Series 2011, 5.250%, 8/01/41          | 8/21 at<br>100.00  | A2   | 105,901   |
| 500   | Montgomery County, Ohio, Revenue Bonds, Catholic Health Initiatives, Series 2004A, 5.000%, 5/01/30  | 5/14 at<br>100.00  | AA   | 515,160   |
| 105   | Montgomery County, Ohio, Revenue Bonds, Miami Valley Hospital, Series 2009A, 6.250%, 11/15/39   | 11/14 at<br>100.00 | Aa3  | 111,742   |
|       | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, Cleveland Clinic Health System Obligated Group, Series 2008A:            |                    |      |           |
| 600   | 5.000%, 1/01/25   | 1/18 at<br>100.00  | Aa2  | 666,018   |
| 100   | 5.250%, 1/01/33   | 1/18 at<br>100.00  | Aa2  | 107,877   |
| 200   | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, Summa Health System Project, Series 2010, 5.250%, 11/15/40 – AGM Insured | 5/20 at<br>100.00  | AA-  | 213,128   |

Nuveen Investments 61

NVJ  
February 29, 2012

Nuveen Ohio Dividend Advantage Municipal Fund 3 (continued)  
Portfolio of Investments

| Principal<br>Amount (000) | Description (1)  | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|--|---------------------------------------|-------------|--------------|
|                           | Health Care (continued)  |                                       |             |              |
| \$ 2,000                  | Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds, University Hospitals Health System, Series 2009, 6.750%, 1/15/39                  | 1/15 at 100.00                        | A           | \$ 2,130,336 |
| 100                       | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Series 2009A, 5.500%, 1/01/39                           | 1/19 at 100.00                        | Aa2         | 109,361      |
| 125                       | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Tender Option Bond Trust 3551: 19.956%, 1/01/17 (IF)    | No Opt. Call                          | Aa2         | 164,355      |
| 425                       | 20.182%, 1/01/33 (IF)  | 1/19 at 100.00                        | Aa2         | 584,137      |
| 100                       | Ohio State, Hospital Facility Revenue Refunding Bonds, Cleveland Clinic Health System Obligated Group, Tender Option Bond Trust 3591, 20.340%, 1/01/17 (IF)    | No Opt. Call                          | Aa2         | 137,444      |
| 250                       | Richland County, Ohio, Hospital Revenue Bonds, MidCentral Health System Group, Series 2006, 5.250%, 11/15/36   | 11/16 at 100.00                       | A-          | 259,528      |
| 110                       | Ross County, Ohio, Hospital Revenue Refunding Bonds, Adena Health System Series 2008, 5.750%, 12/01/35   | 12/18 at 100.00                       | A           | 118,622      |
| 10,085                    | Total Health Care  |                                       |             | 10,989,343   |
|                           | Housing/Multifamily – 3.2% (2.1% of Total Investments)   |                                       |             |              |
| 200                       | Montgomery County, Ohio, GNMA Guaranteed Multifamily Housing Revenue Bonds, Canterbury Court Project, Series 2007, 5.500%, 10/20/42 (Alternative Minimum Tax)  | 10/18 at 101.00                       | Aa1         | 212,338      |
| 165                       | Ohio Housing Finance Agency, FHA-Insured Multifamily Housing Mortgage Revenue Bonds, Madonna Homes, Series 2006M, 4.900%, 6/20/48 (Alternative Minimum Tax)    | 6/16 at 102.00                        | Aaa         | 167,935      |
| 685                       | Summit County Port Authority, Ohio, Multifamily Housing Revenue Bonds, Callis Tower Apartments Project, Series 2007, 5.250%, 9/20/47 (Alternative Minimum Tax) | 9/17 at 102.00                        | Aaa         | 712,427      |
| 1,050                     | Total Housing/Multifamily  |                                       |             | 1,092,700    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

Housing/Single Family – 0.6% (0.4% of Total Investments)

|  |   |                 |      |           |
|--|---|-----------------|------|-----------|
| 210  | Ohio Housing Finance Agency, Single Family Mortgage Revenue Bonds, Series 2006H, 5.000%, 9/01/31 (Alternative Minimum Tax)                                | 9/15 at 100.00  | Aaa  | 213,744   |
| Industrials – 6.9% (4.6% of Total Investments)   |   |                 |      |           |
| 555  | Cleveland-Cuyahoga County Port Authority, Ohio, Common Bond Fund Revenue Bonds, Cleveland Christian Home Project, Series 2002C, 5.950%, 5/15/22           | 5/12 at 102.00  | BBB– | 557,159   |
| 480  | Ohio State Water Development Authority, Solid Waste Revenue Bonds, Allied Waste Industries, Inc., Series 2007A, 5.150%, 7/15/15 (Alternative Minimum Tax) | 7/12 at 100.00  | BBB  | 486,398   |
| 1,000  | Toledo-Lucas County Port Authority, Ohio, Revenue Refunding Bonds, CSX Transportation Inc., Series 1992, 6.450%, 12/15/21                                 | No Opt. Call    | Baa3 | 1,250,320 |
| 400  | Western Reserve Port Authority, Ohio, Solid Waste Facility Revenue Bonds, Central Waste Inc., Series 2007A, 6.350%, 7/01/27 (Alternative Minimum Tax) (5) | 7/17 at 102.00  | N/R  | 56,016    |
| 2,435  | Total Industrials   |                 |      | 2,349,893 |
| Long-Term Care – 1.1% (0.7% of Total Investments)  |   |                 |      |           |
| 95   | Franklin County, Ohio, Healthcare Facilities Revenue Bonds, Ohio Presbyterian Retirement Services, Improvement Series 2010A, 5.625%, 7/01/26              | 7/21 at 100.00  | BBB  | 102,734   |
| 245  | Montgomery County, Ohio, Health Care and Multifamily Housing Revenue Bonds, Saint Leonard, Refunding & improvement Series 2010, 6.625%, 4/01/40           | 4/20 at 100.00  | BBB– | 257,564   |
| 340  | Total Long-Term Care  |                 |      | 360,298   |
| Tax Obligation/General – 37.5% (25.0% of Total Investments)                                  |   |                 |      |           |
| 1,000  | Cleveland, Ohio, General Obligation Bonds, Series 2011, 5.000%, 12/01/29  | 12/19 at 100.00 | AA   | 1,103,560 |
| Columbus City School District, Franklin County, Ohio, General Obligation Bonds, Series 2006: |   |                 |      |           |
| 1,815  | 0.000%, 12/01/27 – AGM Insured  | No Opt. Call    | AA   | 1,001,608 |
| 1,000  | 0.000%, 12/01/28 – AGM Insured  | No Opt. Call    | AA   | 522,230   |
| 300  | Cuyahoga County, Ohio, General Obligation Bonds, Series 2004, 5.000%, 12/01/21  | 12/14 at 100.00 | AA+  | 333,573   |
| 1,000  | Franklin County, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/27  | 12/17 at 100.00 | AAA  | 1,156,940 |
| 250  | Green, Ohio, General Obligation Bonds, Series 2008, 5.500%, 12/01/32  | 12/15 at 100.00 | AA   | 268,395   |
| 1,275  | Hamilton City School District, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/34 – AGM Insured  | 6/17 at 100.00  | AA–  | 1,350,620 |



Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Principal<br>Amount (000) | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|---------------------------|---|---------------------------------------|-------------|--------------|
|                           | Tax Obligation/General (continued)  |                                       |             |              |
| \$ 1,000                  | Indian Lake Local School District, Logan and Auglaize Counties, Ohio, School Facilities Improvement and Refunding Bonds, Series 2007, 5.000%, 12/01/34 – NPFQ Insured | 6/17 at 100.00                        | Aa3         | \$ 1,068,170 |
| 500                       | Kenston Local School District, Geauga County, Ohio, General Obligation Bonds, Series 2011, 0.000%, 12/01/21   | No Opt. Call                          | Aa1         | 387,910      |
| 210                       | Lakewood City School District, Cuyahoga County, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/25 – FGIC Insured  | 12/17 at 100.00                       | Aa2         | 234,499      |
| 1,270                     | Lorain, Ohio, General Obligation Bonds, Series 2002, 5.125%, 12/01/26 – AMBAC Insured   | 12/12 at 100.00                       | A3          | 1,282,903    |
| 235                       | Lucas County, Ohio, General Obligation Bonds, Various Purpose Series 2010, 5.000%, 10/01/40   | 10/18 at 100.00                       | Aa2         | 251,647      |
| 500                       | Marysville Exempted School District, Union County, Ohio, General Obligation Bonds, Series 2006, 5.000%, 12/01/25 – AGM Insured  | 12/15 at 100.00                       | AA–         | 537,435      |
| 100                       | Mason City School District, Counties of Warren and Butler, Ohio, General Obligation Bonds, Series 2007, 5.000%, 12/01/31  | 6/17 at 100.00                        | Aaa         | 110,190      |
| 500                       | Middletown City School District, Butler County, Ohio, General Obligation Bonds, Refunding Series 2007, 5.250%, 12/01/31 – AGM Insured                                 | No Opt. Call                          | Aa3         | 617,905      |
| 50                        | Milford Exempted Village School District, Ohio, General Obligation Bonds, Series 2008, 5.250%, 12/01/36   | 12/18 at 100.00                       | Aa3         | 54,142       |
| 150                       | Northmor Local School District, Morrow County, Ohio, General Obligation School Facilities Construction and Improvement Bonds, Series 2008, 5.000%, 11/01/36           | 11/18 at 100.00                       | Aa2         | 161,291      |
| 500                       | Oak Hills Local School District, Hamilton County, Ohio, General Obligation Bonds, Refunding Series 2005, 5.000%, 12/01/24 – AGM Insured                               | 12/15 at 100.00                       | AA–         | 534,125      |
| 1,130                     | Solon, Ohio, General Obligation Refunding and Improvement Bonds, Series 2002, 5.000%, 12/01/18  | 12/12 at 100.00                       | AAA         | 1,168,623    |
| 500                       | Sylvania City School District, Ohio, General Obligation School Improvement Bonds, Series 1995, 5.250%, 12/01/36 – AGC Insured   | 6/17 at 100.00                        | Aa2         | 535,570      |
| 100                       | Vandalia Butler City School District, Montgomery County, Ohio, General Obligation Bonds, School Improvement Series 2009, 5.125%, 12/01/37                             | No Opt. Call                          | AA          | 109,229      |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|        |  |                 |         |            |
|--------|--|-----------------|---------|------------|
| 13,385 | Total Tax Obligation/General   |                 |         | 12,790,565 |
|        | Tax Obligation/Limited – 14.6% (9.7% of Total Investments)   |                 |         |            |
| 250    | Cuyhoga County, Ohio, Economic Development Revenue Bonds, Federally Taxable Recovery Zone Facility Medical Mart- Convention Center Project, Series 2010G, 5.000%, 12/01/27             | 12/20 at 100.00 | AA      | 284,873    |
| 75     | Delaware County District Library, Delaware, Franklin, Marion, Morrow and Union Counties, Ohio, Library Fund Library Facilities Special Obligation Notes, Series 2009, 5.000%, 12/01/34 | 12/19 at 100.00 | Aa2     | 83,414     |
| 265    | Government of Guam, Business Privilege Tax Bonds, Series 2011A, 5.125%, 1/01/42  | 1/22 at 100.00  | A       | 287,803    |
| 750    | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Lien, Series 2006A, 5.000%, 12/01/32 – AMBAC Insured   | 12/16 at 100.00 | A1      | 806,168    |
| 65     | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Series 2000B, 0.000%, 12/01/28 – AGM Insured   | No Opt. Call    | AA–     | 31,840     |
| 1,000  | Hamilton County, Ohio, Sales Tax Revenue Bonds, Refunding Series 2011A, 5.000%, 12/01/31   | 12/21 at 100.00 | A1      | 1,094,860  |
| 1,000  | Midview Local School District, Lorain County, Ohio, Certificates of Participation, Series 2003, 5.000%, 11/01/30   | 5/13 at 100.00  | A1      | 1,015,940  |
| 35     | New Albany Community Authority, Ohio, Community Facilities Revenue Refunding Bonds Series 2012C, 5.000%, 10/01/24 (WI/DD, Settling 3/08/12)  | 10/22 at 100.00 | A1      | 40,608     |
| 200    | Ohio State Building Authority, State Facilities Bonds, Administrative Building Fund Projects, Series 2005A, 5.000%, 4/01/25 – AGM Insured  | 4/15 at 100.00  | AA      | 222,062    |
| 2,000  | Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, First Subordinate Series 2009A, 0.000%, 8/01/34  | No Opt. Call    | A+      | 606,220    |
| 1,835  | Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, Series 2010A, 0.000%, 8/01/35  | No Opt. Call    | A+      | 514,314    |
| 7,475  | Total Tax Obligation/Limited   |                 |         | 4,988,102  |
|        | Transportation – 5.7% (3.8% of Total Investments)  |                 |         |            |
| 1,550  | Ohio Turnpike Commission, Revenue Refunding Bonds, Series 1998A, 5.500%, 2/15/18 – FGIC Insured  | No Opt. Call    | AA      | 1,928,882  |
|        | U.S. Guaranteed – 23.5% (15.6% of Total Investments) (6)   |                 |         |            |
| 725    | Eaton City School District, Preble County, Ohio, General Obligation Bonds, Series 2002, 5.750%, 12/01/21 (Pre-refunded 12/01/12) – FGIC Insured  | 12/12 at 101.00 | Aa2 (6) | 762,838    |
| 1,000  | Hilliard, Ohio, General Obligation Bonds, Series 2002, 5.375%, 12/01/22 (Pre-refunded 12/01/12)  | 12/12 at 100.00 | Aa1 (6) | 1,039,380  |





NVJ  
February 29, 2012

Nuveen Ohio Dividend Advantage Municipal Fund 3 (continued)  
Portfolio of Investments

| Principal<br>Amount (000)                    | Description (1)   | Optional<br>Call<br>Provisions<br>(2) | Ratings (3) | Value        |
|--|---|---------------------------------------|-------------|--------------|
| U.S. Guaranteed (continued)                  |   |                                       |             |              |
| \$ 1,000                                     | Kenston Local School District, Geauga County, Ohio, General Obligation Bonds, Series 2003, 5.000%, 12/01/22 (Pre-refunded 6/01/13) – NPFG Insured                     | 6/13 at 100.00                        | Aa1 (6)     | \$ 1,059,700 |
| 500  | Miami East Local School District, Miami County, Ohio, General Obligation Bonds, Series 2002, 5.125%, 12/01/29 (Pre-refunded 6/01/12) – AGM Insured                    | 6/12 at 100.00                        | AA– (6)     | 506,390      |
| 2,000  | Ohio Higher Education Facilities Commission, Revenue Bonds, Case Western Reserve University, Series 2002B, 5.500%, 10/01/22 (Pre-refunded 10/01/12)                   | 10/12 at 100.00                       | N/R (6)     | 2,063,020    |
| 1,250  | Ohio State Building Authority, State Facilities Bonds, Administrative Building Fund Projects, Series 2002A, 5.500%, 4/01/18 (Pre-refunded 4/01/12) – AGM Insured      | 4/12 at 100.00                        | AA (6)      | 1,255,975    |
| 160  | Ohio Water Development Authority, Revenue Bonds, Drinking Water Assistance Fund, State Match, Series 2008, 5.000%, 6/01/28 (Pre-refunded 6/01/18) – AGM Insured       | 6/18 at 100.00                        | AAA         | 199,064      |
| 1,000  | Olentangy Local School District, Delaware and Franklin Counties, Ohio, General Obligation Bonds, Series 2004A, 5.250%, 12/01/21 (Pre-refunded 6/01/14) – FGIC Insured | 6/14 at 100.00                        | AA+ (6)     | 1,110,750    |
| 7,635  | Total U.S. Guaranteed   |                                       |             | 7,997,117    |
| Utilities – 7.8% (5.2% of Total Investments) |   |                                       |             |              |
| 500  | American Municipal Power Ohio Inc., General Revenue Bonds, Prairie State Energy Campus Project Series 2008A, 5.250%, 2/15/43  | 2/18 at 100.00                        | A1          | 538,755      |
| 1,500  | American Municipal Power Ohio Inc., Wadsworth, Electric System Improvement Revenue Bonds, Series 2002, 5.250%, 2/15/17 – NPFG Insured                                 | 8/12 at 100.00                        | A1          | 1,505,070    |
| 1,595  | Cleveland, Ohio, Public Power System Revenue Bonds, Series 2008B-2, 0.000%, 11/15/32 – NPFG Insured   | No Opt. Call                          | A2          | 588,204      |
| 25   | Ohio Air Quality Development Authority, Ohio, Revenue Bonds, Ohio Valley Electric Corporation Project, Series 2009E, 5.625%, 10/01/19                                 | No Opt. Call                          | BBB–        | 28,837       |
| 3,620  | Total Utilities   |                                       |             | 2,660,866    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|           |  |                 |     |               |
|-----------|--|-----------------|-----|---------------|
|           | Water and Sewer – 3.5% (2.3% of Total Investments)   |                 |     |               |
| 130       | City of Marysville, Ohio, Water System Mortgage Revenue Bonds, Series 2007, 5.000%, 12/01/32 – AMBAC Insured | 12/17 at 100.00 | A1  | 139,064       |
| 950       | Ironton, Ohio, Sewer System Improvement Revenue Bonds, Series 2011, 5.250%, 12/01/40 – AGM Insured           | 12/20 at 100.00 | Aa3 | 1,045,409     |
| 1,080     | Total Water and Sewer  |                 |     | 1,184,473     |
| \$ 54,285 | Total Investments (cost \$47,563,093) – 150.4%   |                 |     | 51,251,567    |
|           | MuniFund Term Preferred Shares, at Liquidation Value – (54.2)% (7)   |                 |     | (18,470,150)  |
|           | Other Assets Less Liabilities – 3.8%   |                 |     | 1,293,827     |
|           | Net Assets Applicable to Common Shares – 100%  |                 |     | \$ 34,075,244 |

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): 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 (not covered by the report of independent registered public accounting firm): 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 of investments in inverse floating rate transactions.
- (5) At or subsequent to the end of the reporting period, this security is non-income producing. Non-income producing security, in the case of a bond, generally denotes that the issuer has (1) defaulted on the payment of principal or interest, (2) is under the protection of the Federal Bankruptcy Court or (3) the Fund’s Adviser has concluded that the issue is not likely to meet its future interest payment obligations and has directed the Fund’s custodian to cease accruing additional income on the Fund’s records.
- (6) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, which ensure the timely payment of principal and interest. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities.
- (7) MuniFund Term Preferred Shares, at Liquidation Value as a percentage of Total Investments is 36.0%.

N/R Not rated.

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

(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

Statement of  
Assets & Liabilities

February 29, 2012

|   | Michigan<br>Quality<br>Income<br>(NUM) | Michigan<br>Premium<br>Income<br>(NMP) | Michigan<br>Dividend<br>Advantage<br>(NZW) |
|---|--|--|--|
| <b>Assets</b>   |  |  |  |
| Investments, at value (cost \$249,582,684, \$160,910,760 and \$43,647,537, respectively)                                    | \$ 271,165,290                         | \$ 171,050,613                         | \$ 46,894,462                              |
| Cash  | 2,030,514                              | 100,651                                | 538,166                                    |
| <b>Receivables:</b>   |  |  |  |
| Interest  | 3,641,934                              | 2,376,501                              | 595,122                                    |
| Investments sold  | 739,304                                | 444,950                                | 131,463                                    |
| Deferred offering costs   | 380,557                                | 108,391                                | 427,512                                    |
| Other assets  | 33,355                                 | 4,678                                  | 1,821                                      |
| <b>Total assets</b>   | <b>277,990,954</b>                     | <b>174,085,784</b>                     | <b>48,588,546</b>                          |
| <b>Liabilities</b>  |  |  |  |
| Floating rate obligations   | 3,630,000                              | 2,330,000                              | 665,000                                    |
| <b>Payables:</b>  |  |  |  |
| Common share dividends  | 780,562                                | 498,688                                | 133,575                                    |
| Interest  | 82,736                                 | 50,734                                 | 32,306                                     |
| Investments purchased   | 1,063,729                              | —                                      | —  |
| Offering costs  | 4,202                                  | —                                      | 98,801                                     |
| MuniFund Term Preferred (MTP) Shares, at liquidation value  | —                                      | —                                      | 16,313,000                                 |
| Variable Rate MuniFund Term Preferred (VMTP) Shares, at liquidation value   | 87,900,000                             | 53,900,000                             | —  |
| <b>Accrued expenses:</b>  |  |  |  |
| Management fees   | 134,271                                | 85,052                                 | 23,815                                     |
| Other   | 125,809                                | 66,311                                 | 33,222                                     |
| <b>Total liabilities</b>  | <b>93,721,309</b>                      | <b>56,930,785</b>                      | <b>17,299,719</b>                          |
| <b>Net assets applicable to Common shares</b>   | <b>\$ 184,269,645</b>                  | <b>\$ 117,154,999</b>                  | <b>\$ 31,288,827</b>                       |
| Common shares outstanding   | 11,554,253                             | 7,605,648                              | 2,053,086                                  |
| Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding) | \$ 15.95                               | \$ 15.40                               | \$ 15.24                                   |
| <b>Net assets applicable to Common shares consist of:</b>   |  |  |  |
| Common shares, \$.01 par value per share  | \$ 115,543                             | \$ 76,056                              | \$ 20,531                                  |
| Paid-in surplus   | 161,977,722                            | 106,706,652                            | 28,961,326                                 |
| Undistributed (Over-distribution of) net investment income  | 3,336,932                              | 2,024,198                              | 278,497                                    |
| Accumulated net realized gain (loss)  | (2,743,158)                            | (1,791,760)                            | (1,218,452)                                |
| Net unrealized appreciation (depreciation)  | 21,582,606                             | 10,139,853                             | 3,246,925                                  |
| <b>Net assets applicable to Common shares</b>   | <b>\$ 184,269,645</b>                  | <b>\$ 117,154,999</b>                  | <b>\$ 31,288,827</b>                       |
| <b>Authorized shares:</b>   |  |  |  |
| Common  | 200,000,000                            | 200,000,000                            | Unlimited                                  |
| Auction Rate Preferred Shares (ARPS)  | 1,000,000                              | 1,000,000                              | Unlimited                                  |
| MTP   | —                                      | —                                      | Unlimited                                  |
| VMTP  | 1,800                                  | 539                                    | —  |

See accompanying notes to financial statements.

Nuveen Investments 65

---

Statement of  
Assets & Liabilities (continued)

February 29, 2012

|  | Ohio<br>Quality<br>Income<br>(NUO) | Ohio<br>Dividend<br>Advantage<br>(NXI) | Ohio<br>Dividend<br>Advantage<br>2<br>(NBJ) | Ohio<br>Dividend<br>Advantage<br>3<br>(NVJ) |
|--|------------------------------------|--|---|---|
| <b>Assets</b>  |                                    |  |   |   |
| Investments, at value (cost \$217,562,564,<br>\$88,891,152, \$65,719,031 and \$47,563,093,<br>respectively)                                | \$ 236,535,367                     | \$ 95,923,197                          | \$ 70,641,201                               | \$ 51,251,567                               |
| Cash   | 1,711,251                          | 1,573,455                              | 821,256                                     | 305,306                                     |
| Receivables:   |                                    |  |   |   |
| Interest   | 2,863,106                          | 1,198,134                              | 882,362                                     | 618,277                                     |
| Investments sold   | 903,845                            | 354,624                                | 779,931                                     | 354,624                                     |
| Deferred offering costs  | 332,987                            | 804,956                                | 471,145                                     | 421,979                                     |
| Other assets   | 6,002                              | 2,573                                  | 2,358                                       | 5,186                                       |
| <b>Total assets</b>  | <b>242,352,558</b>                 | <b>99,856,939</b>                      | <b>73,598,253</b>                           | <b>52,956,939</b>                           |
| <b>Liabilities</b>   |                                    |  |   |   |
| Floating rate obligations  | —                                  | —                                      | —   | —   |
| Payables:  |                                    |  |   |   |
| Common share dividends   | 692,067                            | 299,839                                | 207,541                                     | 159,951                                     |
| Interest   | 69,182                             | 68,968                                 | 49,064                                      | 37,380                                      |
| Investments purchased  | 162,434                            | 794,764                                | 162,434                                     | 40,608                                      |
| Offering costs   | 8,381                              | 200,678                                | 147,229                                     | 116,712                                     |
| MuniFund Term Preferred (MTP) Shares, at<br>liquidation value  | —                                  | 31,103,400                             | 24,244,000                                  | 18,470,150                                  |
| Variable Rate MuniFund Term Preferred<br>(VMTP) Shares, at liquidation value   | 73,500,000                         | —                                      | —   | —   |
| Accrued expenses:  |                                    |  |   |   |
| Management fees  | 119,777                            | 49,547                                 | 36,735                                      | 24,302                                      |
| Other  | 91,318                             | 47,611                                 | 43,887                                      | 32,592                                      |
| <b>Total liabilities</b>   | <b>74,643,159</b>                  | <b>32,564,807</b>                      | <b>24,890,890</b>                           | <b>18,881,695</b>                           |
| <b>Net assets applicable to Common shares</b>  | <b>\$ 167,709,399</b>              | <b>\$ 67,292,132</b>                   | <b>\$ 48,707,363</b>                        | <b>\$ 34,075,244</b>                        |
| Common shares outstanding  | 9,765,029                          | 4,246,722                              | 3,122,403                                   | 2,158,437                                   |
| <b>Net asset value per Common share outstanding<br/>(net assets applicable to Common shares, divided<br/>by Common shares outstanding)</b> | <b>\$ 17.17</b>                    | <b>\$ 15.85</b>                        | <b>\$ 15.60</b>                             | <b>\$ 15.79</b>                             |
| Net assets applicable to Common shares consist<br>of:  |                                    |  |   |   |
| Common shares, \$.01 par value per share   | \$ 97,650                          | \$ 42,467                              | \$ 31,224                                   | \$ 21,584                                   |
| Paid-in surplus  | 148,087,012                        | 60,152,612                             | 44,094,755                                  | 30,384,308                                  |
| Undistributed (Over-distribution of) net<br>investment income  | 3,309,669                          | 685,848                                | 673,179                                     | 523,705                                     |
| Accumulated net realized gain (loss)   | (2,757,735)                        | (620,840)                              | (1,013,965)                                 | (542,827)                                   |
| Net unrealized appreciation (depreciation)   | 18,972,803                         | 7,032,045                              | 4,922,170                                   | 3,688,474                                   |
| <b>Net assets applicable to Common shares</b>  | <b>\$ 167,709,399</b>              | <b>\$ 67,292,132</b>                   | <b>\$ 48,707,363</b>                        | <b>\$ 34,075,244</b>                        |

|                                      |             |           |           |           |
|--------------------------------------|-------------|-----------|-----------|-----------|
| Authorized shares:                   |             |           |           |           |
| Common                               | 200,000,000 | Unlimited | Unlimited | Unlimited |
| Auction Rate Preferred Shares (ARPS) | 1,000,000   | Unlimited | Unlimited | Unlimited |
| MTP                                  | —           | Unlimited | Unlimited | Unlimited |
| VMTP                                 | 1,500       | —         | —         | —         |

See accompanying notes to financial statements.

66 Nuveen Investments

---

Statement of  
Operations

Year Ended February 29, 2012

|  | Michigan<br>Quality<br>Income<br>(NUM) | Michigan<br>Premium<br>Income<br>(NMP) | Michigan<br>Dividend<br>Advantage<br>(NZW) |
|--|--|--|--|
| Investment Income  | \$ 13,040,223                          | \$ 8,390,381                           | \$ 2,293,461                               |
| Expenses   |  |  |  |
| Management fees  | 1,639,481                              | 1,044,234                              | 290,583                                    |
| Auction fees   | 38,001                                 | 23,648                                 | —  |
| Dividend disbursing agent fees   | 23,342                                 | 5,041                                  | —  |
| Shareholders' servicing agent fees and expenses  | 27,662                                 | 23,150                                 | 20,893                                     |
| Interest expense and amortization of offering costs  | 787,697                                | 426,405                                | 496,226                                    |
| Custodian's fees and expenses  | 49,348                                 | 34,337                                 | 14,986                                     |
| Directors'/Trustees' fees and expenses   | 7,634                                  | 4,832                                  | 1,502                                      |
| Professional fees  | 25,888                                 | 27,405                                 | 28,482                                     |
| Shareholders' reports – printing and mailing expenses  | 41,050                                 | 29,913                                 | 16,344                                     |
| Stock exchange listing fees  | 8,911                                  | 8,911                                  | 269  |
| Investor relations expense   | 19,682                                 | 13,148                                 | 4,305                                      |
| Other expenses   | 32,630                                 | 27,459                                 | 26,328                                     |
| Total expenses before custodian fee credit and expense reimbursement   | 2,701,326                              | 1,668,483                              | 899,918                                    |
| Custodian fee credit   | (1,629)                                | (756)                                  | (469)                                      |
| Expense reimbursement  | —                                      | —                                      | (13,341)                                   |
| Net expenses   | 2,699,697                              | 1,667,727                              | 886,108                                    |
| Net investment income (loss)   | 10,340,526                             | 6,722,654                              | 1,407,353                                  |
| Realized and Unrealized Gain (Loss)  |  |  |  |
| Net realized gain (loss) from investments  | 449,974                                | 255,959                                | 125,358                                    |
| Change in net unrealized appreciation (depreciation) of investments  | 19,743,434                             | 10,670,879                             | 3,697,158                                  |
| Net realized and unrealized gain (loss)  | 20,193,408                             | 10,926,838                             | 3,822,516                                  |
| Distributions to Auction Rate Preferred Shareholders   |  |  |  |
| From net investment income   | (111,599)                              | (74,304)                               | —  |
| Decrease in net assets applicable to Common shares from distributions to Auction Rate Preferred shareholders | (111,599)                              | (74,304)                               | —  |
| Net increase (decrease) in net assets applicable to Common shares from operations                            | \$ 30,422,335                          | \$ 17,575,188                          | \$ 5,229,869                               |

See accompanying notes to financial statements.

Nuveen Investments 67

Statement of  
Operations (continued)

Year Ended February 29, 2012

|  | Ohio<br>Quality<br>Income<br>(NUO) | Ohio<br>Dividend<br>Advantage<br>(NXI) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ) | Ohio<br>Dividend<br>Advantage 3<br>(NVJ) |
|--|------------------------------------|--|--|--|
| Investment Income  | \$ 12,007,995                      | \$ 4,936,763                           | \$ 3,607,165                             | \$ 2,654,827                             |
| Expenses   |                                    |  |  |  |
| Management fees  | 1,462,198                          | 605,541                                | 446,847                                  | 321,313                                  |
| Auction fees   | 37,018                             | —                                      | 1,263                                    | 1,791                                    |
| Dividend disbursing agent fees   | 30,849                             | 1,671                                  | 6,712                                    | 2,505                                    |
| Shareholders' servicing agent fees and expenses  | 29,536                             | 22,789                                 | 17,281                                   | 17,133                                   |
| Interest expense and amortization of offering costs  | 635,808                            | 987,589                                | 710,867                                  | 543,653                                  |
| Custodian's fees and expenses  | 47,029                             | 22,317                                 | 18,558                                   | 15,419                                   |
| Directors'/Trustees' fees and expenses   | 6,803                              | 3,135                                  | 2,366                                    | 1,808                                    |
| Professional fees  | 26,621                             | 27,247                                 | 27,677                                   | 27,977                                   |
| Shareholders' reports – printing and mailing expenses  | 39,505                             | 24,551                                 | 18,433                                   | 15,688                                   |
| Stock exchange listing fees  | 8,941                              | 18,632                                 | 410                                      | 283                                      |
| Investor relations expense   | 18,253                             | 8,200                                  | 5,663                                    | 4,220                                    |
| Other expenses   | 29,434                             | 14,732                                 | 20,555                                   | 27,427                                   |
| Total expenses before custodian fee credit and expense reimbursement   | 2,371,995                          | 1,736,404                              | 1,276,632                                | 979,217                                  |
| Custodian fee credit   | (918)                              | (639)                                  | (673)                                    | (375)                                    |
| Expense reimbursement  | —                                  | (3,973)                                | (20,491)                                 | (27,603)                                 |
| Net expenses   | 2,371,077                          | 1,731,792                              | 1,255,468                                | 951,239                                  |
| Net investment income (loss)   | 9,636,918                          | 3,204,971                              | 2,351,697                                | 1,703,588                                |
| Realized and Unrealized Gain (Loss)  |                                    |  |  |  |
| Net realized gain (loss) from investments  | 292,727                            | 109,129                                | 40,580                                   | 22,930                                   |
| Change in net unrealized appreciation (depreciation) of investments  | 16,197,758                         | 7,168,857                              | 5,041,870                                | 3,344,614                                |
| Net realized and unrealized gain (loss)  | 16,490,485                         | 7,277,986                              | 5,082,450                                | 3,367,544                                |
| Distributions to Auction Rate Preferred Shareholders   |                                    |  |  |  |
| From net investment income   | (93,231)                           | (5,183)                                | (13,173)                                 | (12,346)                                 |
| Decrease in net assets applicable to Common shares from distributions to Auction Rate Preferred shareholders | (93,231)                           | (5,183)                                | (13,173)                                 | (12,346)                                 |
| Net increase (decrease) in net assets applicable to Common shares from operations                            | \$ 26,034,172                      | \$ 10,477,774                          | \$ 7,420,974                             | \$ 5,058,786                             |

See accompanying notes to financial statements.





Statement of  
Changes in Net Assets

|  | Michigan<br>Quality Income (NUM) |                       | Michigan<br>Premium Income (NMP) |                       | Michigan<br>Dividend Advantage (NZW) |                          |
|--|----------------------------------|-----------------------|----------------------------------|-----------------------|--------------------------------------|--------------------------|
|  | Year Ended<br>2/29/12            | Year Ended<br>2/28/11 | Year Ended<br>2/29/12            | Year Ended<br>2/28/11 | Year<br>Ended<br>2/29/12             | Year<br>Ended<br>2/28/11 |
| <b>Operations</b>  |                                  |                       |                                  |                       |                                      |                          |
| Net investment<br>income (loss)  | \$ 10,340,526                    | \$ 10,879,743         | \$ 6,722,654                     | \$ 7,025,371          | \$ 1,407,353                         | \$ 1,732,620             |
| Net realized gain<br>(loss) from<br>investments  | 449,974                          | 248,011               | 255,959                          | 92,219                | 125,358                              | 7,965                    |
| Change in net<br>unrealized<br>appreciation<br>(depreciation) of<br>investments                                    | 19,743,434                       | (8,256,526)           | 10,670,879                       | (4,081,282)           | 3,697,158                            | (1,457,657)              |
| Distributions to<br>Auction Rate<br>Preferred<br>Shareholders from<br>net investment<br>income                     | (111,599)                        | (363,829)             | (74,304)                         | (224,505)             | —                                    | (46,443)                 |
| Net increase<br>(decrease) in net<br>assets applicable to<br>Common shares from<br>operations                      | 30,422,335                       | 2,507,399             | 17,575,188                       | 2,811,803             | 5,229,869                            | 236,485                  |
| Distributions to<br>Common<br>Shareholders<br>From net investment<br>income  | (9,984,065)                      | (9,571,838)           | (6,502,830)                      | (6,243,504)           | (1,650,681)                          | (1,633,328)              |
| Decrease in net assets<br>applicable to<br>Common shares from<br>distributions to<br>Common<br>shareholders        | (9,984,065)                      | (9,571,838)           | (6,502,830)                      | (6,243,504)           | (1,650,681)                          | (1,633,328)              |
| Capital Share<br>Transactions  |                                  |                       |                                  |                       |                                      |                          |
| Common shares:<br>Net proceeds from<br>shares issued to<br>shareholders due to<br>reinvestment of<br>distributions | —                                | —                     | —                                | —                     | —                                    | —                        |

|   |                |                |                |                |               |               |
|---|----------------|----------------|----------------|----------------|---------------|---------------|
| Repurchased and retired   | (44,268)       | (43,408)       | —              | (105,018)      | —             | (20,395)      |
| Net increase (decrease) in net assets applicable to Common shares from capital share transactions | (44,268)       | (43,408)       | —              | (105,018)      | —             | (20,395)      |
| Net increase (decrease) in net assets applicable to Common shares                                 | 20,394,002     | (7,107,847)    | 11,072,358     | (3,536,719)    | 3,579,188     | (1,417,238)   |
| Net assets applicable to Common shares at the beginning of period                                 | 163,875,643    | 170,983,490    | 106,082,641    | 109,619,360    | 27,709,639    | 29,126,877    |
| Net assets applicable to Common shares at the end of period                                       | \$ 184,269,645 | \$ 163,875,643 | \$ 117,154,999 | \$ 106,082,641 | \$ 31,288,827 | \$ 27,709,639 |
| Undistributed (Over-distribution of) net investment income at the end of period                   | \$ 3,336,932   | \$ 2,994,016   | \$ 2,024,198   | \$ 1,865,189   | \$ 278,497    | \$ 409,933    |

See accompanying notes to financial statements.

Nuveen Investments 69

Statement of  
Changes in Net Assets (continued)

|  | Ohio<br>Quality Income (NUO) |                       | Ohio<br>Dividend Advantage (NXI) |                          | Ohio<br>Dividend Advantage 2 (NBJ) |                          |
|--|------------------------------|-----------------------|----------------------------------|--------------------------|------------------------------------|--------------------------|
|  | Year Ended<br>2/29/12        | Year Ended<br>2/28/11 | Year<br>Ended<br>2/29/12         | Year<br>Ended<br>2/28/11 | Year<br>Ended<br>2/29/12           | Year<br>Ended<br>2/28/11 |
| <b>Operations</b>  |                              |                       |                                  |                          |                                    |                          |
| Net investment income (loss)   | \$ 9,636,918                 | \$ 9,896,422          | \$ 3,204,971                     | \$ 3,972,782             | \$ 2,351,697                       | \$ 2,931,225             |
| Net realized gain (loss) from investments  | 292,727                      | (1,695,269)           | 109,129                          | (759,748)                | 40,580                             | (317,234)                |
| Change in net unrealized appreciation (depreciation) of investments                          | 16,197,758                   | (6,159,347)           | 7,168,857                        | (3,186,614)              | 5,041,870                          | (2,015,524)              |
| Distributions to Auction Rate Preferred Shareholders from net investment income              | (93,231)                     | (304,704)             | (5,183)                          | (107,603)                | (13,173)                           | (90,237)                 |
| Net increase (decrease) in net assets applicable to Common shares from operations            | 26,034,172                   | 1,737,102             | 10,477,774                       | (81,183)                 | 7,420,974                          | 508,230                  |
| Distributions to Common Shareholders from net investment income                              | (9,072,612)                  | (8,744,701)           | (3,745,126)                      | (3,699,495)              | (2,622,819)                        | (2,613,100)              |
| Decrease in net assets applicable to Common shares from distributions to Common shareholders | (9,072,612)                  | (8,744,701)           | (3,745,126)                      | (3,699,495)              | (2,622,819)                        | (2,613,100)              |
| <b>Capital Share Transactions</b>  |                              |                       |                                  |                          |                                    |                          |
| <b>Common shares:</b>  |                              |                       |                                  |                          |                                    |                          |
| Net proceeds from shares issued to shareholders due to reinvestment of distributions         | 193,317                      | 123,278               | 9,522                            | 40,145                   | —                                  | 13,809                   |
| Repurchased and retired  | —                            | —                     | —                                | —                        | —                                  | —                        |
| Net increase (decrease) in net assets  | 193,317                      | 123,278               | 9,522                            | 40,145                   | —                                  | 13,809                   |

applicable to Common  
shares from capital  
share transactions

|  |                |                |               |               |               |               |
|--|----------------|----------------|---------------|---------------|---------------|---------------|
| Net increase<br>(decrease) in net assets<br>applicable to Common<br>shares                 | 17,154,877     | (6,884,321)    | 6,742,170     | (3,740,533)   | 4,798,155     | (2,091,061)   |
| Net assets applicable<br>to Common shares at<br>the beginning of<br>period                 | 150,554,522    | 157,438,843    | 60,549,962    | 64,290,495    | 43,909,208    | 46,000,269    |
| Net assets applicable<br>to Common shares at<br>the end of period                          | \$ 167,709,399 | \$ 150,554,522 | \$ 67,292,132 | \$ 60,549,962 | \$ 48,707,363 | \$ 43,909,208 |
| Undistributed<br>(Over-distribution<br>of)net investment<br>income at the end of<br>period | \$ 3,309,669   | \$ 2,761,677   | \$ 685,848    | \$ 1,034,310  | \$ 673,179    | \$ 766,971    |

See accompanying notes to financial statements.

70 Nuveen Investments

|   | Ohio                       |                       |
|---|----------------------------|-----------------------|
|   | Dividend Advantage 3 (NVJ) |                       |
|   | Year Ended<br>2/29/12      | Year Ended<br>2/28/11 |
| <b>Operations</b>   |                            |                       |
| Net investment income (loss)  | \$ 1,703,588               | \$ 2,177,014          |
| Net realized gain (loss) from investments   | 22,930                     | (343,731)             |
| Change in net unrealized appreciation (depreciation) of investments                               | 3,344,614                  | (1,945,414)           |
| Distributions to Auction Rate Preferred Shareholders from net investment income                   | (12,346)                   | (65,024)              |
| Net increase (decrease) in net assets applicable to Common shares from operations                 | 5,058,786                  | (177,155)             |
| <b>Distributions to Common Shareholders</b>   |                            |                       |
| From net investment income  | (1,955,351)                | (1,938,643)           |
| Decrease in net assets applicable to Common shares from distributions to Common shareholders      | (1,955,351)                | (1,938,643)           |
| <b>Capital Share Transactions</b>   |                            |                       |
| <b>Common shares:</b>   |                            |                       |
| Net proceeds from shares issued to shareholders due to reinvestment of distributions              | 3,834                      | 22,090                |
| Repurchased and retired   | —                          | —                     |
| Net increase (decrease) in net assets applicable to Common shares from capital share transactions | 3,834                      | 22,090                |
| Net increase (decrease) in net assets applicable to Common shares                                 | 3,107,269                  | (2,093,708)           |
| Net assets applicable to Common shares at the beginning of period                                 | 30,967,975                 | 33,061,683            |
| Net assets applicable to Common shares at the end of period                                       | \$ 34,075,244              | \$ 30,967,975         |
| Undistributed (Over-distribution of) net investment income at the end of period                   | \$ 523,705                 | \$ 624,640            |

See accompanying notes to financial statements.

Nuveen Investments 71

Statement of  
Cash Flows

Year Ended February 29, 2012

|  | Michigan<br>Quality<br>Income<br>(NUM) | Michigan<br>Premium<br>Income<br>(NMP) | Michigan<br>Dividend<br>Advantage<br>(NZW) |
|--|--|--|--|
| <b>Cash Flows from Operating Activities:</b>   |  |  |  |
| Net Increase (Decrease) in Net Assets<br>Applicable to Common Shares from<br>Operations  | \$ 30,422,335                          | \$ 17,575,188                          | \$ 5,229,869                               |
| Adjustments to reconcile the net<br>increase (decrease) in net assets<br>applicable to Common shares from<br>operations to net cash provided by<br>(used in) operating activities: |  |  |  |
| Purchases of investments   | (35,320,208)                           | (29,620,564)                           | (12,679,189)                               |
| Proceeds from sales and maturities of<br>investments   | 37,633,805                             | 29,895,095                             | 13,623,033                                 |
| Amortization (Accretion) of premiums<br>and discounts, net   | (479,622)                              | 270,939                                | 11,751                                     |
| (Increase) Decrease in:  |  |  |  |
| Receivable for interest  | 181,529                                | 221,467                                | 56,236                                     |
| Receivable for investments sold  | (739,304)                              | (444,950)                              | (131,463)                                  |
| Other assets   | 25,303                                 | 44,399                                 | 3,667                                      |
| Increase (Decrease) in:  |  |  |  |
| Payable for Auction Rate Preferred<br>Share dividends  | (2,714)                                | (2,814)                                | (1,085)                                    |
| Payable for interest   | 82,736                                 | 50,734                                 | 1,039                                      |
| Payable for investments purchased  | (1,069,147)                            | (839,820)                              | (324,375)                                  |
| Accrued management fees  | 13,697                                 | 7,917                                  | 4,151                                      |
| Accrued other expenses   | 19,285                                 | 5,117                                  | 18,191                                     |
| Net realized (gain) loss from<br>investments   | (449,974)                              | (255,959)                              | (125,358)                                  |
| Change in net unrealized (appreciation)<br>depreciation of investments   | (19,743,434)                           | (10,670,879)                           | (3,697,158)                                |
| Taxes paid on undistributed capital<br>gains   | —                                      | —                                      | —  |
| Net cash provided by (used in)<br>operating activities   | 10,574,287                             | 6,235,870                              | 1,989,309                                  |
| <b>Cash Flows from Financing Activities:</b>   |  |  |  |
| (Increase) Decrease in deferred<br>offering costs  | (380,557)                              | (108,391)                              | 114,129                                    |
| Increase (Decrease) in:  |  |  |  |
| Payable for offering costs   | 4,202                                  | —                                      | (76,668)                                   |
| MTP Shares, at liquidation value   | —                                      | —                                      | —  |
| VMTP Shares, at liquidation value  | 87,900,000                             | 53,900,000                             | —  |
| ARPS, at liquidation value   | (87,325,000)                           | (53,700,000)                           | —  |

|   |              |             |             |
|---|--------------|-------------|-------------|
| Cash distributions paid to Common shareholders      | (9,934,926)  | (6,471,033) | (1,651,581) |
| Cost of Common shares repurchased and retired       | (44,268)     | —           | —           |
| Net cash provided by (used in) financing activities | (9,780,549)  | (6,379,424) | (1,614,120) |
| Net Increase (Decrease) in Cash                     | 793,738      | (143,554)   | 375,189     |
| Cash at the beginning of period                     | 1,236,776    | 244,205     | 162,977     |
| Cash at the End of Period                           | \$ 2,030,514 | \$ 100,651  | \$ 538,166  |

## Supplemental Disclosure of Cash Flow Information

Non-cash financing activities not included herein consist of reinvestments of Common share distributions as follows:

|    |  |  |  |
|----|--|--|--|
|    | Michigan<br>Quality<br>Income<br>(NUM) | Michigan<br>Premium<br>Income<br>(NMP) | Michigan<br>Dividend<br>Advantage<br>(NZW) |
| \$ | —                                      | \$                                     | —  |

Cash paid for interest (excluding amortization of offering costs) was as follows:

|    |  |  |  |
|----|--|--|--|
|    | Michigan<br>Quality<br>Income<br>(NUM) | Michigan<br>Premium<br>Income<br>(NMP) | Michigan<br>Dividend<br>Advantage<br>(NZW) |
| \$ | 605,518                                | \$                                     | 349,062                                    |
|    |  | \$                                     | 381,057                                    |

See accompanying notes to financial statements.



|  | Ohio<br>Quality<br>Income<br>(NUO) | Ohio<br>Dividend<br>Advantage<br>(NXI) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ) | Ohio<br>Dividend<br>Advantage 3<br>(NVJ) |
|--|------------------------------------|--|--|--|
| <b>Cash Flows from Operating Activities:</b>   |                                    |  |  |  |
| Net Increase (Decrease) in Net Assets Applicable to Common Shares from Operations  | \$ 26,034,172                      | \$ 10,477,774                          | \$ 7,420,974                             | \$ 5,058,786                             |
| Adjustments to reconcile the net increase (decrease) in net assets applicable to Common shares from operations to net cash provided by (used in) operating activities: |                                    |  |  |  |
| Purchases of investments   | (23,701,486)                       | (14,602,411)                           | (12,663,283)                             | (9,094,558)                              |
| Proceeds from sales and maturities of investments  | 24,616,571                         | 16,321,160                             | 11,621,846                               | 7,087,284                                |
| Amortization (Accretion) of premiums and discounts, net  | (196,298)                          | (46,154)                               | 3,225                                    | (63,870)                                 |
| (Increase) Decrease in:  |                                    |  |  |  |
| Receivable for interest  | (32,127)                           | 83,232                                 | 96,260                                   | 28,277                                   |
| Receivable for investments sold  | (708,845)                          | (304,624)                              | (684,931)                                | (304,624)                                |
| Other assets   | 20,647                             | 9,655                                  | 20,608                                   | 30,444                                   |
| Increase (Decrease) in:  |                                    |  |  |  |
| Payable for Auction Rate Preferred Share dividends   | (3,405)                            | (1,072)                                | (288)                                    | (1,090)                                  |
| Payable for interest   | 69,182                             | 30,878                                 | 49,064                                   | 37,380                                   |
| Payable for investments purchased  | 162,434                            | 794,764                                | 162,434                                  | 40,608                                   |
| Accrued management fees  | 11,877                             | 7,920                                  | 7,228                                    | 5,180                                    |
| Accrued other expenses   | 14,677                             | 8,061                                  | 20,437                                   | 13,849                                   |
| Net realized (gain) loss from investments  | (292,727)                          | (109,129)                              | (40,580)                                 | (22,930)                                 |
| Change in net unrealized (appreciation) depreciation of investments  | (16,197,758)                       | (7,168,857)                            | (5,041,870)                              | (3,344,614)                              |
| Taxes paid on undistributed capital gains  | (924)                              | (906)                                  | (187)                                    | —  |
| Net cash provided by (used in) operating activities  | 9,795,990                          | 5,500,291                              | 970,937                                  | (529,878)                                |
| <b>Cash Flows from Financing Activities:</b>   |                                    |  |  |  |
| (Increase) Decrease in deferred offering costs   | (332,987)                          | (282,957)                              | (471,145)                                | (421,979)                                |
| Increase (Decrease) in:  |                                    |  |  |  |
| Payable for offering costs   | 8,381                              | 69,521                                 | 147,229                                  | 116,712                                  |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|   |              |              |              |              |
|---|--------------|--------------|--------------|--------------|
| MTP Shares, at liquidation value                    | —            | 11,653,400   | 24,244,000   | 18,470,150   |
| VMTP Shares, at liquidation value                   | 73,500,000   | —            | —            | —            |
| ARPS, at liquidation value                          | (73,000,000) | (12,500,000) | (21,600,000) | (15,500,000) |
| Cash distributions paid to Common shareholders      | (8,828,795)  | (3,730,553)  | (2,621,598)  | (1,950,372)  |
| Cost of Common shares repurchased and retired       | —            | —            | —            | —            |
| Net cash provided by (used in) financing activities | (8,653,401)  | (4,790,589)  | (301,514)    | 714,511      |
| Net Increase (Decrease) in Cash                     | 1,142,589    | 709,702      | 669,423      | 184,633      |
| Cash at the beginning of period                     | 568,662      | 863,753      | 151,833      | 120,673      |
| Cash at the End of Period                           | \$ 1,711,251 | \$ 1,573,455 | \$ 821,256   | \$ 305,306   |

Supplemental Disclosure of Cash Flow Information

Non-cash financing activities not included herein consist of reinvestments of Common share distributions as follows:

|  | Ohio Quality Income (NUO) | Ohio Dividend Advantage (NXI) | Ohio Dividend Advantage 2 (NBJ) | Ohio Dividend Advantage 3 (NVJ) |
|--|---------------------------|-------------------------------|---------------------------------|---------------------------------|
|  | \$ 193,317                | \$ 9,522                      | \$ —                            | \$ 3,834                        |

Cash paid for interest (excluding amortization of offering costs) was as follows:

|  | Ohio Quality Income (NUO) | Ohio Dividend Advantage (NXI) | Ohio Dividend Advantage 2 (NBJ) | Ohio Dividend Advantage 3 (NVJ) |
|--|---------------------------|-------------------------------|---------------------------------|---------------------------------|
|  | \$ 479,613                | \$ 755,349                    | \$ 466,615                      | \$ 338,585                      |

See accompanying notes to financial statements.

Financial  
Highlights

Selected data for a Common share outstanding throughout each period:

|                                      | Beginning<br>Common<br>Share<br>Net Asset<br>Value | Net<br>Investment<br>Income<br>(Loss) | Net<br>Realized/<br>Unrealized<br>Gain (Loss) | Investment Operations   |   | Total   | Less Distributions  |  |          |
|--------------------------------------|--|---------------------------------------|---|---|---|---------|---|--|----------|
|                                      |  |                                       |   | Distributions<br>from Net<br>Investment<br>Income to<br>Auction Rate<br>Preferred<br>Share-<br>holders(a) | Distributions<br>from<br>Capital<br>Gains to<br>Auction Rate<br>Preferred<br>Share-<br>holders(a) |         | Net<br>Investment<br>Income to<br>Common<br>Share-<br>holders | Capital<br>Gains to<br>Common<br>Share-<br>holders | Total    |
| <b>Michigan Quality Income (NUM)</b> |  |                                       |   |   |   |         |   |  |          |
| Year Ended 2/28–2/29:                |  |                                       |   |   |   |         |   |  |          |
| 2012                                 | \$ 14.18   | \$ .89                                | \$ 1.75                                       | \$ (.01)  | \$ —  | \$ 2.63 | \$ (.86)  | \$ —   | \$ (.86) |
| 2011                                 | 14.79  | .94                                   | (.69)   | (.03)   | —   | .22     | (.83)   | —  | (.83)    |
| 2010                                 | 13.55  | .93                                   | 1.06  | (.04)   | —   | 1.95    | (.73)   | —  | (.73)    |
| 2009(f)                              | 14.13  | .54                                   | (.60)   | (.13)   | —   | (.19)   | (.39)   | —  | (.39)    |
| Year Ended 7/31:                     |  |                                       |   |   |   |         |   |  |          |
| 2008                                 | 14.96  | .93                                   | (.71)   | (.24)   | (.04)   | (.06)   | (.67)   | (.10)  | (.77)    |
| 2007                                 | 15.17  | .94                                   | (.10)   | (.25)   | (.02)   | .57     | (.71)   | (.07)  | (.78)    |
| <b>Michigan Premium Income (NMP)</b> |  |                                       |   |   |   |         |   |  |          |
| Year Ended 2/28–2/29:                |  |                                       |   |   |   |         |   |  |          |
| 2012                                 | 13.95  | .88                                   | 1.44  | (.01)   | —   | 2.31    | (.86)   | —  | (.86)    |
| 2011                                 | 14.40  | .92                                   | (.52)   | (.03)   | —   | .37     | (.82)   | —  | (.82)    |
| 2010                                 | 13.26  | .90                                   | .97   | (.04)   | —   | 1.83    | (.71)   | —  | (.71)    |
| 2009(f)                              | 13.87  | .52                                   | (.63)   | (.12)   | —   | (.23)   | (.38)   | —  | (.38)    |
| Year Ended 7/31:                     |  |                                       |   |   |   |         |   |  |          |
| 2008                                 | 14.65  | .89                                   | (.69)   | (.23)   | (.02)   | (.05)   | (.66)   | (.07)  | (.73)    |
| 2007                                 | 14.92  | .90                                   | (.12)   | (.23)   | (.02)   | .53     | (.71)   | (.09)  | (.80)    |

(a) The amounts shown are based on Common share equivalents.

(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 Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, 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 net asset value. 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 net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

74 Nuveen Investments

---

Ratios/Supplemental Data  
Ratios to Average Net Assets  
Applicable to Common  
Shares(c)(d)

| Total Returns                     |   | Ratios/Supplemental Data<br>Ratios to Average Net Assets<br>Applicable to Common<br>Shares(c)(d) |             |                                       |                               |  |
|-----------------------------------|---|--|-------------|---------------------------------------|-------------------------------|--|
| Based<br>on<br>Market<br>Value(b) | Based<br>on<br>Common<br>Share Net<br>Asset<br>Value(b) | Ending<br>Net<br>Assets<br>Applicable<br>to Common<br>Shares (000)                               | Expenses(e) | Net<br>Investment<br>Income<br>(Loss) | Portfolio<br>Turnover<br>Rate |  |
| 28.44%                            | 19.11%  | \$ 184,270   | 1.56%       | 5.97%                                 | 14%                           |  |
| 4.69                              | 1.39  | 163,876  | 1.18        | 6.37                                  | 6                             |  |
| 29.40                             | 14.83   | 170,983  | 1.24        | 6.50                                  | 9                             |  |
| (10.68)                           | (1.27)  | 158,717  | 1.33*       | 6.93*                                 | 3                             |  |
| (7.77)                            | (.43)   | 165,525  | 1.29        | 6.28                                  | 18                            |  |
| 3.64                              | 3.77  | 175,244  | 1.26        | 6.12                                  | 13                            |  |
| 25.65                             | 17.00   | 117,155  | 1.50        | 6.05                                  | 18                            |  |
| 7.72                              | 2.55  | 106,083  | 1.20        | 6.42                                  | 4                             |  |
| 27.06                             | 14.22   | 109,619  | 1.25        | 6.51                                  | 12                            |  |
| (12.57)                           | (1.62)  | 102,434  | 1.32*       | 6.83*                                 | 3                             |  |
| (5.09)                            | (.36)   | 107,488  | 1.38        | 6.16                                  | 20                            |  |
| 2.16                              | 3.59  | 113,558  | 1.38        | 5.97                                  | 15                            |  |

- (c) Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders, where applicable; Net Investment Income (Loss) ratios reflect income earned and expenses incurred on assets attributable to ARPS and/or VMTP Shares, where applicable.
- (d) Ratios do not reflect the effect of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable.
- (e) The expense ratios reflect, among other things, all interest expense and other costs related to VMTP Shares and/or 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, where applicable, both as described in Footnote 1 – General Information and Significant Accounting Policies, Variable Rate MuniFund Term Preferred Shares and Inverse Floating Rate Securities, respectively, as follows:

## Michigan Quality Income (NUM)

## Year Ended 2/28–2/29:

|                  |      |
|------------------|------|
| 2012             | .46% |
| 2011             | .02  |
| 2010             | .02  |
| 2009(f)          | —    |
| Year Ended 7/31: |      |
| 2008             | .04  |
| 2007             | .04  |

Michigan Premium Income (NMP)

Year Ended 2/28–2/29:

|         |     |
|---------|-----|
| 2012    | .38 |
| 2011    | .02 |
| 2010    | .02 |
| 2009(f) | —   |

Year Ended 7/31:

|      |     |
|------|-----|
| 2008 | .15 |
| 2007 | .16 |

(f) For the seven months ended February 28, 2009.

\* Annualized.

\*\* Rounds to less than \$.01 per share.

See accompanying notes to financial statements.

Financial  
Highlights (continued)

Selected data for a Common share outstanding throughout each period:

|                                   | Beginning<br>Common<br>Share<br>Net Asset<br>Value | Net<br>Investment<br>Income<br>(Loss) | Net<br>Realized/<br>Unrealized<br>Gain (Loss) | Investment Operations   |   | Total   | Less Distributions  |  |          |
|-----------------------------------|--|---------------------------------------|---|---|---|---------|---|--|----------|
|                                   |  |                                       |   | Distributions<br>from Net<br>Investment<br>Income to<br>Auction Rate<br>Preferred<br>Share-<br>holders(a) | Distributions<br>from<br>Capital<br>Gains to<br>Auction Rate<br>Preferred<br>Share-<br>holders(a) |         | Net<br>Investment<br>Income to<br>Common<br>Share-<br>holders | Capital<br>Gains to<br>Common<br>Share-<br>holders | Total    |
| Michigan Dividend Advantage (NZW) |  |                                       |   |   |   |         |   |  |          |
| Year Ended 2/28–2/29:             |  |                                       |   |   |   |         |   |  |          |
| 2012                              | \$ 13.50   | \$ .69                                | \$ 1.85                                       | \$ —  | \$ —  | \$ 2.54 | \$ (.80)  | \$ —   | \$ (.80) |
| 2011                              | 14.18  | .84                                   | (.70)   | (.02)   | —   | .12     | (.80)   | —  | (.80)    |
| 2010                              | 12.69  | .91                                   | 1.32  | (.03)   | —   | 2.20    | (.72)   | —  | (.72)    |
| 2009(f)                           | 13.68  | .54                                   | (1.00)  | (.13)   | —**   | (.59)   | (.39)   | (.01)  | (.40)    |
| Year Ended 7/31:                  |  |                                       |   |   |   |         |   |  |          |
| 2008                              | 14.73  | .94                                   | (.95)   | (.24)   | (.02)   | (.27)   | (.71)   | (.07)  | (.78)    |
| 2007                              | 14.94  | .95                                   | (.14)   | (.24)   | —**   | .57     | (.77)   | (.01)  | (.78)    |

(a) The amounts shown are based on Common share equivalents.

(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 Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, 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 net asset value. 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 net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

|               |                          |                                      | Ratios/Supplemental Data   |             |                              |  |                              |                         |
|---------------|--------------------------|--------------------------------------|--|-------------|------------------------------|--|------------------------------|-------------------------|
|               |                          |                                      | Ratios to Average Net Assets<br>Applicable to Common Shares<br>Before Reimbursement(c) |             |                              | Ratios to Average Net Assets<br>Applicable to Common Shares<br>After Reimbursement(c)(d) |                              |                         |
| Total Returns | Based on Market Value(b) | Based on Common Share Asset Value(b) | Ending Net Assets Applicable to Common Shares (000)                                    | Expenses(e) | Net Investment Income (Loss) | Expenses(e)  | Net Investment Income (Loss) | Portfolio Turnover Rate |
| 25.34%        | 19.38%                   | \$                                   | 31,289   | 3.07%       | 4.75%                        | 3.02%  | 4.79%                        | 28%                     |
| 3.72          | .70                      |                                      | 27,710   | 1.81        | 5.85                         | 1.69   | 5.97                         | 6                       |
| 22.58         | 17.70                    |                                      | 29,127   | 1.35        | 6.48                         | 1.15   | 6.68                         | 6                       |
| (14.48)       | (4.20)                   |                                      | 26,236   | 1.48*       | 7.03*                        | 1.22*  | 7.29*                        | 4                       |
| (8.10)        | (1.95)                   |                                      | 28,285   | 1.39        | 6.23                         | 1.07   | 6.55                         | 18                      |
| .46           | 3.79                     |                                      | 30,439   | 1.38        | 5.89                         | .99  | 6.28                         | 19                      |

- (c) Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders, where applicable; Net Investment Income (Loss) ratios reflect income earned and expenses incurred on assets attributable to ARPS and/or MTP Shares, where applicable.
- (d) After expense reimbursement from the Adviser, where applicable. Ratios do not reflect the effect of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable. As of September 30, 2011, the Adviser is no longer reimbursing Michigan Dividend Advantage (NZW) for any fees and expenses.
- (e) The expense ratios reflect, among other things, all interest expense and other costs related to MTP Shares and/or 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, where applicable, both as described in Footnote 1 – General Information and Significant Accounting Policies, MuniFund Term Preferred Shares and Inverse Floating Rate Securities, respectively, as follows:

## Michigan Dividend Advantage (NZW)

## Year Ended 2/28–2/29:

|                  |       |
|------------------|-------|
| 2012             | 1.69% |
| 2011             | .52   |
| 2010             | .02   |
| 2009(f)          | —     |
| Year Ended 7/31: |       |
| 2008             | .05   |
| 2007             | .03   |

- (f) For the seven months ended February 28, 2009.



\* Annualized.

\*\* Rounds to less than \$.01 per share.

See accompanying notes to financial statements.

Nuveen Investments 77

---

Financial  
Highlights (continued)

Selected data for a Common share outstanding throughout each period:

|                                      | Beginning<br>Common<br>Share<br>Net Asset<br>Value | Net<br>Investment<br>Income<br>(Loss) | Net<br>Realized/<br>Unrealized<br>Gain (Loss) | Investment Operations   |   | Less Distributions |   |  |          |       |
|--------------------------------------|--|---------------------------------------|---|---|---|--------------------|---|--|----------|-------|
|                                      |  |                                       |   | Distributions<br>from Net<br>Investment<br>Income to<br>Auction Rate<br>Preferred<br>Share-<br>holders(a) | Distributions<br>from<br>Capital<br>Gains to<br>Auction Rate<br>Preferred<br>Share-<br>holders(a) | Total              | Net<br>Investment<br>Income to<br>Common<br>Share-<br>holders | Capital<br>Gains to<br>Common<br>Share-<br>holders | Total    |       |
| <b>Ohio Quality Income (NUO)</b>     |  |                                       |   |   |   |                    |   |  |          |       |
| Year Ended 2/28–2/29:                |  |                                       |   |   |   |                    |   |  |          |       |
| 2012                                 | \$ 15.44   | \$ .99                                | \$ 1.68                                       | \$ (.01)  | \$ —  | \$ 2.66            | \$ (.93)  | \$ —   | \$ (.93) | \$ —  |
| 2011                                 | 16.15  | 1.01                                  | (.79)   | (.03)   | —   | .19                | (.90)   | —  | (.90)    | (.90) |
| 2010                                 | 14.56  | 1.01                                  | 1.42  | (.04)   | —   | 2.39               | (.80)   | —  | (.80)    | (.80) |
| 2009(f)                              | 15.04  | .56                                   | (.52)   | (.13)   | —   | (.09)              | (.39)   | —  | (.39)    | (.39) |
| Year Ended 7/31:                     |  |                                       |   |   |   |                    |   |  |          |       |
| 2008                                 | 15.81  | .95                                   | (.71)   | (.25)   | (.02)   | (.03)              | (.67)   | (.07)  | (.74)    | (.74) |
| 2007                                 | 16.01  | .96                                   | (.12)   | (.26)   | (.01)   | .57                | (.73)   | (.04)  | (.77)    | (.77) |
| <b>Ohio Dividend Advantage (NXI)</b> |  |                                       |   |   |   |                    |   |  |          |       |
| Year Ended 2/28–2/29:                |  |                                       |   |   |   |                    |   |  |          |       |
| 2012                                 | 14.26  | .75                                   | 1.72  | —**   | —   | 2.47               | (.88)   | —  | (.88)    | (.88) |
| 2011                                 | 15.15  | .94                                   | (.93)   | (.03)   | —   | (.02)              | (.87)   | —  | (.87)    | (.87) |
| 2010                                 | 13.83  | .96                                   | 1.17  | (.04)   | —   | 2.09               | (.77)   | —  | (.77)    | (.77) |
| 2009(f)                              | 14.25  | .54                                   | (.46)   | (.12)   | —   | (.04)              | (.38)   | —  | (.38)    | (.38) |
| Year Ended 7/31:                     |  |                                       |   |   |   |                    |   |  |          |       |
| 2008                                 | 14.87  | .93                                   | (.55)   | (.23)   | (.03)   | .12                | (.65)   | (.09)  | (.74)    | (.74) |
| 2007                                 | 15.02  | .94                                   | (.09)   | (.24)   | (.01)   | .60                | (.72)   | (.03)  | (.75)    | (.75) |

(a) The amounts shown are based on Common share equivalents.

(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 Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, 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 net asset value. 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 net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.



| Total Returns            |  | Ratios/Supplemental Data   |             |                              |  |                              |                         |  |
|--------------------------|--|--|-------------|------------------------------|--|------------------------------|-------------------------|--|
|                          |  | Ratios to Average Net Assets<br>Applicable to Common Shares<br>Before Reimbursement(c) |             |                              | Ratios to Average Net Assets<br>Applicable to Common Shares<br>After Reimbursement(c)(d) |                              |                         |  |
| Based on Market Value(b) | Based on Common Share Net Asset Value(b) | Ending Net Assets Applicable to Common Shares (000)                                    | Expenses(e) | Net Investment Income (Loss) | Expenses(e)  | Net Investment Income (Loss) | Portfolio Turnover Rate |  |
| 20.55%                   | 17.73%                                   | \$ 167,709   | 1.50%       | 6.10%                        | N/A  | N/A                          | 10%                     |  |
| .91                      | 1.09                                     | 150,555  | 1.14        | 6.32                         | N/A  | N/A                          | 14                      |  |
| 27.57                    | 16.76                                    | 157,439  | 1.20        | 6.51                         | N/A  | N/A                          | 6                       |  |
| (0.71)                   | (0.49)                                   | 141,883  | 1.35*       | 6.77*                        | N/A  | N/A                          | 10                      |  |
| (2.18)                   | (.26)                                    | 146,617  | 1.42        | 6.08                         | N/A  | N/A                          | 14                      |  |
| (4.25)                   | 3.56                                     | 154,052  | 1.29        | 5.94                         | N/A  | N/A                          | 15                      |  |
| 24.11                    | 17.88                                    | 67,292   | 2.74        | 5.05                         | 2.73%  | 5.06%                        | 16                      |  |
| (2.52)                   | (.23)                                    | 60,550   | 1.41        | 6.18                         | 1.33   | 6.26                         | 14                      |  |
| 26.70                    | 15.46                                    | 64,290   | 1.21        | 6.47                         | 1.06   | 6.62                         | 7                       |  |
| (2.08)                   | (0.15)                                   | 58,692   | 1.35*       | 6.64*                        | 1.12*  | 6.87*                        | 10                      |  |
| (6.21)                   | .83                                      | 60,475   | 1.39        | 6.06                         | 1.12   | 6.33                         | 17                      |  |
| .52                      | 4.02                                     | 63,114   | 1.32        | 5.85                         | .97  | 6.20                         | 14                      |  |

- (c) Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders, where applicable; Net Investment Income (Loss) ratios reflect income earned and expenses incurred on assets attributable to ARPS, MTP Shares and/or VMTP Shares, where applicable.
- (d) After expense reimbursement from the Adviser, where applicable. Ratios do not reflect the effect of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable. As of March 31, 2011, the Adviser is no longer reimbursing Ohio Dividend Advantage (NXI) for any fees and expenses.
- (e) The expense ratios reflect, among other things, all interest expense and other costs related to MTP Shares, VMTP Shares and/or 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, where applicable, each as described in Footnote 1 – General Information and Significant Accounting Policies, MuniFund Term Preferred Shares, Variable Rate MuniFund Term Preferred Shares and Inverse Floating Rate Securities, respectively, as follows:

Ohio Quality Income (NUO)

Year Ended 2/28–2/29:

|                               |      |
|-------------------------------|------|
| 2012                          | .40% |
| 2011                          | —    |
| 2010                          | —    |
| 2009(f)                       | .04* |
| Year Ended 7/31:              | —    |
| 2008                          | .16  |
| 2007                          | .10  |
| Ohio Dividend Advantage (NXI) |      |
| Year Ended 2/28–2/29:         |      |
| 2012                          | 1.56 |
| 2011                          | .24  |
| 2010                          | —    |
| 2009(f)                       | .04* |
| Year Ended 7/31:              |      |
| 2008                          | .15  |
| 2007                          | .10  |

(f) For the seven months ended February 28, 2009.

\* Annualized.

\*\* Rounds to less than \$.01 per share.

N/A Fund did not have, or no longer has, a contractual reimbursement agreement with the Adviser.

See accompanying notes to financial statements.

Nuveen Investments 79

Financial  
Highlights (continued)

Selected data for a Common share outstanding throughout each period:

|  | Beginning<br>Common<br>Share<br>Net Asset<br>Value | Net<br>Investment<br>Income<br>(Loss) | Net<br>Realized/<br>Unrealized<br>Gain (Loss) | Investment Operations   |   | Less Distributions |   |  |         |         |
|--|--|---------------------------------------|---|---|---|--------------------|---|--|---------|---------|
|  |  |                                       |   | Distributions<br>from Net<br>Investment<br>Income to<br>Auction Rate<br>Preferred<br>Share-<br>holders(a) | Distributions<br>from<br>Capital<br>Gains to<br>Auction Rate<br>Preferred<br>Share-<br>holders(a) | Total              | Net<br>Investment<br>Income to<br>Common<br>Share-<br>holders | Capital<br>Gains to<br>Common<br>Share-<br>holders | Total   |         |
| <b>Ohio Dividend Advantage 2 (NBJ)</b> |  |                                       |   |   |   |                    |   |  |         |         |
| Year Ended 2/28–2/29:                  |  |                                       |   |   |   |                    |   |  |         |         |
| 2012                                   | \$ 14.06   | \$ .75                                | \$ 1.63                                       | \$ —  | \$ 2.38   | \$ (84)            | \$ (84)   | \$ —   | \$ (84) | \$ (84) |
| 2011                                   | 14.74  | .94                                   | (.75)   | (.03)   | — .16   | (.84)              | (.84)   | —  | (.84)   | (.84)   |
| 2010                                   | 13.06  | .93                                   | 1.53  | (.04)   | — 2.42  | (.74)              | (.74)   | —  | (.74)   | (.74)   |
| 2009(f)                                | 13.87  | .54                                   | (.84)   | (.13)   | — (.43)   | (.38)              | (.38)   | —  | (.38)   | (.38)   |
| Year Ended 7/31:                       |  |                                       |   |   |   |                    |   |  |         |         |
| 2008                                   | 14.64  | .93                                   | (.73)   | (.25)   | (.02) (.07)   | (.64)              | (.64)   | (.06)  | (.70)   | (.70)   |
| 2007                                   | 14.81  | .92                                   | (.10)   | (.25)   | (.01) .56   | (.69)              | (.69)   | (.04)  | (.73)   | (.73)   |
| <b>Ohio Dividend Advantage 3 (NVJ)</b> |  |                                       |   |   |   |                    |   |  |         |         |
| Year Ended 2/28–2/29:                  |  |                                       |   |   |   |                    |   |  |         |         |
| 2012                                   | 14.35  | .79                                   | 1.57  | (.01)   | — 2.35  | (.91)              | (.91)   | —  | (.91)   | (.91)   |
| 2011                                   | 15.33  | 1.01                                  | (1.06)  | (.03)   | — (.08)   | (.90)              | (.90)   | —  | (.90)   | (.90)   |
| 2010                                   | 13.97  | 1.00                                  | 1.19  | (.04)   | — 2.15  | (.79)              | (.79)   | —  | (.79)   | (.79)   |
| 2009(f)                                | 14.33  | .55                                   | (.39)   | (.12)   | — .04   | (.40)              | (.40)   | —  | (.40)   | (.40)   |
| Year Ended 7/31:                       |  |                                       |   |   |   |                    |   |  |         |         |
| 2008                                   | 14.92  | .95                                   | (.56)   | (.23)   | (.02) .14   | (.67)              | (.67)   | (.06)  | (.73)   | (.73)   |
| 2007                                   | 15.06  | .96                                   | (.08)   | (.25)   | (.01) .62   | (.72)              | (.72)   | (.04)  | (.76)   | (.76)   |

(a) The amounts shown are based on Common share equivalents.

(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 Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, 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 net asset value. 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 net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

80 Nuveen Investments

---

| Total Returns | Ratios/Supplemental Data |  |   |  |             |  |     |                         |
|---------------|--------------------------|--|---|--|-------------|--|-----|-------------------------|
|               | Based on Market Value(b) | Based on Common Share Net Asset Value(b) | Ending Net Assets Applicable to Common Shares (000) | Ratios to Average Net Assets Applicable to Common Shares Before Reimbursement(c) |             | Ratios to Average Net Assets Applicable to Common Shares After Reimbursement(c)(d) |     | Portfolio Turnover Rate |
| Expenses(e)   |                          |  |   | Net Investment Income (Loss)   | Expenses(e) | Net Investment Income (Loss)   |     |                         |
| 22.12%        | 17.44%                   | \$ 48,707                                | 2.78%   | 5.08%  | 2.74%       | 5.13%  | 17% |                         |
| (.37)         | 1.00                     | 43,909                                   | 1.22  | 6.31   | 1.10        | 6.43   | 9   |                         |
| 26.62         | 18.91                    | 46,000                                   | 1.27  | 6.49   | 1.07        | 6.69   | 8   |                         |
| (3.09)        | (3.01)                   | 40,755                                   | 1.46*   | 6.91*  | 1.20*       | 7.17*  | 5   |                         |
| (5.46)        | (.51)                    | 43,286                                   | 1.46  | 6.10   | 1.14        | 6.41   | 16  |                         |
| (1.26)        | 3.80                     | 45,694                                   | 1.41  | 5.76   | 1.02        | 6.15   | 14  |                         |
| 25.66         | 16.88                    | 34,075                                   | 3.04  | 5.20   | 2.95        | 5.29   | 15  |                         |
| (4.13)        | (.66)                    | 30,968                                   | 1.26  | 6.53   | 1.10        | 6.69   | 12  |                         |
| 34.62         | 15.73                    | 33,062                                   | 1.30  | 6.56   | 1.07        | 6.80   | 14  |                         |
| (4.29)        | .36                      | 30,127                                   | 1.46*   | 6.63*  | 1.15*       | 6.93*  | 9   |                         |
| (5.13)        | .95                      | 30,941                                   | 1.47  | 6.05   | 1.12        | 6.41   | 19  |                         |
| 2.32          | 4.06                     | 32,194                                   | 1.41  | 5.85   | .99         | 6.27   | 19  |                         |

- (c) Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders, where applicable; Net Investment Income (Loss) ratios reflect income earned and expenses incurred on assets attributable to ARPS and/or MTP Shares, where applicable.
- (d) After expense reimbursement from the Adviser, where applicable. Ratios do not reflect the effect of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable. As of September 30, 2011, the Adviser is no longer reimbursing Ohio Dividend Advantage 2 (NBJ) for any fees and expenses.
- (e) The expense ratios reflect, among other things, all interest expense and other costs related to MTP Shares and/or 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, where applicable, both as described in Footnote 1 – General Information and Significant Accounting Policies, MuniFund Term Preferred Shares and Inverse Floating Rate Securities, respectively, as follows:

## Ohio Dividend Advantage 2 (NBJ)

Year Ended 2/28–2/29:

2012

1.55%



|                                 |      |
|---------------------------------|------|
| 2011                            | —    |
| 2010                            | —    |
| 2009(f)                         | .04* |
| Year Ended 7/31:                |      |
| 2008                            | .16  |
| 2007                            | .10  |
| Ohio Dividend Advantage 3 (NVJ) |      |
| Year Ended 2/28–2/29:           |      |
| 2012                            | 1.69 |
| 2011                            | —    |
| 2010                            | —    |
| 2009(f)                         | .04* |
| Year Ended 7/31:                |      |
| 2008                            | .15  |
| 2007                            | .10  |

(f) For the seven months ended February 28, 2009.

\* Annualized.

\*\* Rounds to less than \$.01 per share.

See accompanying notes to financial statements.

Nuveen Investments 81

Financial  
Highlights (continued)

|                                      | ARPS at the End of Period                   |                                   |                                | VMTP Shares at the End of Period            |                                   |                                |
|--------------------------------------|---|-----------------------------------|--------------------------------|---|-----------------------------------|--------------------------------|
|                                      | Aggregate<br>Amount<br>Outstanding<br>(000) | Liquidation<br>Value<br>Per Share | Asset<br>Coverage<br>Per Share | Aggregate<br>Amount<br>Outstanding<br>(000) | Liquidation<br>Value<br>Per Share | Asset<br>Coverage<br>Per Share |
| <b>Michigan Quality Income (NUM)</b> |   |                                   |                                |   |                                   |                                |
| Year Ended 2/28–2/29:                |   |                                   |                                |   |                                   |                                |
| 2012                                 | \$ —  | \$ —                              | \$ —                           | 87,900                                      | \$ 100,000                        | \$ 309,636                     |
| 2011                                 | 87,325                                      | 25,000                            | 71,915                         | —   | —                                 | —                              |
| 2010                                 | 87,325                                      | 25,000                            | 73,950                         | —   | —                                 | —                              |
| 2009(f)                              | 90,900                                      | 25,000                            | 68,651                         | —   | —                                 | —                              |
| Year Ended 7/31:                     |   |                                   |                                |   |                                   |                                |
| 2008                                 | 94,000                                      | 25,000                            | 69,023                         | —   | —                                 | —                              |
| 2007                                 | 94,000                                      | 25,000                            | 71,607                         | —   | —                                 | —                              |
| <b>Michigan Premium Income (NMP)</b> |   |                                   |                                |   |                                   |                                |
| Year Ended 2/28–2/29:                |   |                                   |                                |   |                                   |                                |
| 2012                                 | —   | —                                 | —                              | 53,900                                      | 100,000                           | 317,356                        |
| 2011                                 | 53,700                                      | 25,000                            | 74,387                         | —   | —                                 | —                              |
| 2010                                 | 53,700                                      | 25,000                            | 76,033                         | —   | —                                 | —                              |
| 2009(f)                              | 56,000                                      | 25,000                            | 70,730                         | —   | —                                 | —                              |
| Year Ended 7/31:                     |   |                                   |                                |   |                                   |                                |
| 2008                                 | 56,000                                      | 25,000                            | 72,986                         | —   | —                                 | —                              |
| 2007                                 | 56,000                                      | 25,000                            | 75,695                         | —   | —                                 | —                              |

(f) For the seven months ended February 28, 2009.

82 Nuveen Investments

|  | ARPS at the End of Period                   |                                   |                                | MTP Shares at the End of Period (g)         |                                   |                                |
|--|---|-----------------------------------|--------------------------------|---|-----------------------------------|--------------------------------|
|  | Aggregate<br>Amount<br>Outstanding<br>(000) | Liquidation<br>Value<br>Per Share | Asset<br>Coverage<br>Per Share | Aggregate<br>Amount<br>Outstanding<br>(000) | Liquidation<br>Value<br>Per Share | Asset<br>Coverage<br>Per Share |
| <b>Michigan Dividend Advantage (NZW)</b> |   |                                   |                                |   |                                   |                                |
| Year Ended 2/28–2/29:                    |   |                                   |                                |   |                                   |                                |
| 2012                                     | \$ —  | \$ —                              | \$ —                           | 16,313                                      | \$ 10                             | \$ 29.18                       |
| 2011                                     | —   | —                                 | —                              | 16,313                                      | 10                                | 26.99                          |
| 2010                                     | 14,275                                      | 25,000                            | 76,010                         | —   | —                                 | —                              |
| 2009(f)                                  | 14,925                                      | 25,000                            | 68,946                         | —   | —                                 | —                              |
| Year Ended 7/31:                         |   |                                   |                                |   |                                   |                                |
| 2008                                     | 16,000                                      | 25,000                            | 69,195                         | —   | —                                 | —                              |
| 2007                                     | 16,000                                      | 25,000                            | 72,561                         | —   | —                                 | —                              |

(f) For the seven months ended February 28, 2009.

(g) The Ending and Average Market Value Per Share for each Series of the Fund's MTP Shares were as follows:

|  | Series | Ending<br>Market<br>Value<br>Per Share | Average<br>Market<br>Value<br>Per Share |
|--|--------|--|---|
| <b>Michigan Dividend Advantage (NZW)</b> |        |  |   |
| Year Ended 2/28–2/29:                    |        |  |   |
| 2012                                     | 2015   | \$ 10.08                               | \$ 9.95                                 |
| 2011                                     | 2015   | 9.73                                   | 9.82 <sup>^</sup>                       |
| 2010                                     | —      | —                                      | —                                       |
| 2009(f)                                  | —      | —                                      | —                                       |
| Year Ended 7/31:                         |        |  |   |
| 2008                                     | —      | —                                      | —                                       |
| 2007                                     | —      | —                                      | —                                       |

<sup>^</sup> For the period November 15, 2010 (first issuance date of shares) through February 28, 2011.

See accompanying notes to financial statements.

Financial  
Highlights (continued)

|                                      | ARPS at the End of Period          |                             |                          | MTP Shares at the End of Period (g) |                             |                          | VMTP Shares at the End of Period   |                             |                          | ARPS and MTP Shares at the End of Period |
|--------------------------------------|------------------------------------|-----------------------------|--------------------------|-------------------------------------|-----------------------------|--------------------------|------------------------------------|-----------------------------|--------------------------|--|
|                                      | Aggregate Amount Outstanding (000) | Liquidation Value Per Share | Asset Coverage Per Share | Aggregate Amount Outstanding (000)  | Liquidation Value Per Share | Asset Coverage Per Share | Aggregate Amount Outstanding (000) | Liquidation Value Per Share | Asset Coverage Per Share | Asset Preference                         |
| <b>Ohio Quality Income (NUO)</b>     |                                    |                             |                          |                                     |                             |                          |                                    |                             |                          |  |
| Year Ended 2/28-2/29:                |                                    |                             |                          |                                     |                             |                          |                                    |                             |                          |  |
| 2012                                 | \$ —                               | \$ —                        | \$ —                     | \$ —                                | \$ —                        | \$ —                     | \$ 73,500                          | \$ 100,000                  | \$ 328,176               | \$ —                                     |
| 2011                                 | 73,000                             | 25,000                      | 76,560                   | —                                   | —                           | —                        | —                                  | —                           | —                        | —  |
| 2010                                 | 73,000                             | 25,000                      | 78,917                   | —                                   | —                           | —                        | —                                  | —                           | —                        | —  |
| 2009(f)                              | 77,000                             | 25,000                      | 71,066                   | —                                   | —                           | —                        | —                                  | —                           | —                        | —  |
| Year Ended 7/31:                     |                                    |                             |                          |                                     |                             |                          |                                    |                             |                          |  |
| 2008                                 | 77,000                             | 25,000                      | 72,603                   | —                                   | —                           | —                        | —                                  | —                           | —                        | —  |
| 2007                                 | 77,000                             | 25,000                      | 75,017                   | —                                   | —                           | —                        | —                                  | —                           | —                        | —  |
| <b>Ohio Dividend Advantage (NXI)</b> |                                    |                             |                          |                                     |                             |                          |                                    |                             |                          |  |
| Year Ended 2/28-2/29:                |                                    |                             |                          |                                     |                             |                          |                                    |                             |                          |  |
| 2012                                 | —                                  | —                           | —                        | 31,103                              | 10                          | 31.63                    | —                                  | —                           | —                        | —  |
| 2011                                 | 12,500                             | 25,000                      | 72,379                   | 19,450                              | 10                          | 28.95                    | —                                  | —                           | —                        | 2.90                                     |
| 2010                                 | 29,000                             | 25,000                      | 80,423                   | —                                   | —                           | —                        | —                                  | —                           | —                        | —  |
| 2009(f)                              | 31,000                             | 25,000                      | 72,332                   | —                                   | —                           | —                        | —                                  | —                           | —                        | —  |
| Year Ended 7/31:                     |                                    |                             |                          |                                     |                             |                          |                                    |                             |                          |  |
| 2008                                 | 31,000                             | 25,000                      | 73,770                   | —                                   | —                           | —                        | —                                  | —                           | —                        | —  |
| 2007                                 | 31,000                             | 25,000                      | 75,898                   | —                                   | —                           | —                        | —                                  | —                           | —                        | —  |

(f) For the seven months ended February 28, 2009.

(g) The Ending and Average Market Value Per Share for each Series of the Fund's MTP Shares were as follows:

|                                      | Series | Ending Market Value Per Share | Average Market Value Per Share | Series | Ending Market Value Per Share | Average Market Value Per Share |
|--------------------------------------|--------|-------------------------------|--------------------------------|--------|-------------------------------|--------------------------------|
| <b>Ohio Dividend Advantage (NXI)</b> |        |                               |                                |        |                               |                                |
| Year Ended 2/28-2/29:                |        |                               |                                |        |                               |                                |
| 2012                                 | 2015   | \$ 10.08                      | \$ 10.01                       | 2016   | \$ 10.18                      | \$ 10.12^^                     |
| 2011                                 | 2015   | 9.78                          | 9.85^                          | —      | —                             | —                              |
| 2010                                 | —      | —                             | —                              | —      | —                             | —                              |

|                  |   |   |   |   |   |   |
|------------------|---|---|---|---|---|---|
| 2009(f)          | — | — | — | — | — | — |
| Year Ended 7/31: |   |   |   |   |   |   |
| 2008             | — | — | — | — | — | — |
| 2007             | — | — | — | — | — | — |

^ For the period November 22, 2010 (first issuance date of shares) through February 28, 2011.

^^ For the period March 18, 2011 (first issuance of shares) through February 29, 2012.

84 Nuveen Investments

|  | ARPS at the End of Period                   |                                   |                                | MTP Shares at the End of Period (g)         |                                   |                                |
|--|---|-----------------------------------|--------------------------------|---|-----------------------------------|--------------------------------|
|  | Aggregate<br>Amount<br>Outstanding<br>(000) | Liquidation<br>Value<br>Per Share | Asset<br>Coverage<br>Per Share | Aggregate<br>Amount<br>Outstanding<br>(000) | Liquidation<br>Value<br>Per Share | Asset<br>Coverage<br>Per Share |
| <b>Ohio Dividend Advantage 2 (NBJ)</b> |   |                                   |                                |   |                                   |                                |
| Year Ended 2/28–2/29:                  |   |                                   |                                |   |                                   |                                |
| 2012                                   | \$ —  | \$ —                              | \$ —                           | 24,244                                      | \$ 10                             | \$ 30.09                       |
| 2011                                   | 21,600                                      | 25,000                            | 75,821                         | —   | —                                 | —                              |
| 2010                                   | 21,600                                      | 25,000                            | 78,241                         | —   | —                                 | —                              |
| 2009(f)                                | 23,100                                      | 25,000                            | 69,107                         | —   | —                                 | —                              |
| Year Ended 7/31:                       |   |                                   |                                |   |                                   |                                |
| 2008                                   | 24,000                                      | 25,000                            | 70,090                         | —   | —                                 | —                              |
| 2007                                   | 24,000                                      | 25,000                            | 72,598                         | —   | —                                 | —                              |
| <b>Ohio Dividend Advantage 3 (NVJ)</b> |   |                                   |                                |   |                                   |                                |
| Year Ended 2/28–2/29:                  |   |                                   |                                |   |                                   |                                |
| 2012                                   | —   | —                                 | —                              | 18,470                                      | \$ 10                             | 28.45                          |
| 2011                                   | 15,500                                      | 25,000                            | 74,948                         | —   | —                                 | —                              |
| 2010                                   | 15,500                                      | 25,000                            | 78,325                         | —   | —                                 | —                              |
| 2009(f)                                | 16,500                                      | 25,000                            | 70,647                         | —   | —                                 | —                              |
| Year Ended 7/31:                       |   |                                   |                                |   |                                   |                                |
| 2008                                   | 16,500                                      | 25,000                            | 71,881                         | —   | —                                 | —                              |
| 2007                                   | 16,500                                      | 25,000                            | 73,778                         | —   | —                                 | —                              |

(f) For the seven months ended February 28, 2009.

(g) The Ending and Average Market Value Per Share for each Series of the Fund's MTP Shares were as follows:

|  | Series | Ending<br>Market Value<br>Per Share | Average<br>Market Value<br>Per Share |
|--|--------|-------------------------------------|--------------------------------------|
| <b>Ohio Dividend Advantage 2 (NBJ)</b> |        |                                     |                                      |
| Year Ended 2/28–2/29:                  |        |                                     |                                      |
| 2012                                   | 2014   | \$ 10.07                            | \$ 10.09^                            |
| 2011                                   | —      | —                                   | —                                    |
| 2010                                   | —      | —                                   | —                                    |
| 2009(f)                                | —      | —                                   | —                                    |
| Year Ended 7/31:                       |        |                                     |                                      |
| 2008                                   | —      | —                                   | —                                    |
| 2007                                   | —      | —                                   | —                                    |
| <b>Ohio Dividend Advantage 3 (NVJ)</b> |        |                                     |                                      |
| Year Ended 2/28–2/29:                  |        |                                     |                                      |
| 2012                                   | 2014   | 10.10                               | 10.20^^                              |
| 2011                                   | —      | —                                   | —                                    |
| 2010                                   | —      | —                                   | —                                    |
| 2009(f)                                | —      | —                                   | —                                    |
| Year Ended 7/31:                       |        |                                     |                                      |

|      |   |   |   |
|------|---|---|---|
| 2008 | — | — | — |
| 2007 | — | — | — |

^ For the period April 5, 2011 (first issuance date of shares) through February 29, 2012.

^^ For the period April 19, 2011 (first issuance date of shares) through February 29, 2012.

See accompanying notes to financial statements.

Nuveen Investments 85

---

Notes to  
Financial Statements

1. General Information and Significant Accounting Policies

General Information

The funds covered in this report and their corresponding Common share stock exchange symbols are Nuveen Michigan Quality Income Municipal Fund, Inc. (NUM), Nuveen Michigan Premium Income Municipal Fund, Inc. (NMP), Nuveen Michigan Dividend Advantage Municipal Fund (NZW), Nuveen Ohio Quality Income Municipal Fund, Inc. (NUO), Nuveen Ohio Dividend Advantage Municipal Fund (NXI), Nuveen Ohio Dividend Advantage Municipal Fund 2 (NBJ) and Nuveen Ohio Dividend Advantage Municipal Fund 3 (NVJ) (each a “Fund” and collectively, the “Funds”). Common shares of Michigan Quality Income (NUM), Michigan Premium Income (NMP) and Ohio Quality Income (NUO) are traded on the New York Stock Exchange (“NYSE”) while Common shares of Michigan Dividend Advantage (NZW), Ohio Dividend Advantage (NXI), Ohio Dividend Advantage 2 (NBJ) and Ohio Dividend Advantage 3 (NVJ) are traded on the NYSE Amex. The Funds are registered under the Investment Company Act of 1940, as amended, as closed-end registered investment companies.

Each Fund seeks to provide current income exempt from both regular federal and designated state income taxes by investing primarily in a portfolio of municipal obligations issued by state and local government authorities within a single state or certain U.S. territories.

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 Valuation

Prices of municipal bonds are provided by a pricing service approved by the Funds’ Board of Directors/Trustees. These securities are generally classified as Level 2 for fair value measurement purposes. When price quotes are not readily available (which is usually the case for municipal bonds) 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. 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 Nuveen Fund Advisors, Inc. (the “Adviser”), a wholly-owned subsidiary of Nuveen Investments, Inc. (“Nuveen”). These securities are generally classified as Level 2 or Level 3 depending on the priority of the significant inputs.

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 Funds’ Board of Directors/Trustees or its designee 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 (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 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 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 Funds' Board of Directors/Trustees or its designee.

Refer to Footnote 2 – Fair Value Measurements for further details on the leveling of securities held by the Funds as of the end of the reporting period.

86 Nuveen Investments

---

#### Investment Transactions

Investment transactions are recorded on a trade date basis. Realized gains and losses from 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 segregate assets with a current value at least equal to the amount of the when-issued/delayed delivery purchase commitments. At February 29, 2012, Michigan Quality Income (NUM), Ohio Quality Income (NUO), Ohio Dividend Advantage (NXI), Ohio Dividend Advantage 2 (NBJ), and Ohio Dividend Advantage 3 (NVJ) had outstanding when-issued/delayed delivery purchase commitments of \$1,063,729, \$162,434, \$794,764, \$162,434 and \$40,608, respectively. There were no such outstanding purchase commitments in any of the other Funds.

#### 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.

#### Income Taxes

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 (“RICs”). Therefore, no federal income tax provision is required. Furthermore, each Fund intends to satisfy conditions that will enable interest from municipal securities, which is exempt from regular federal and designated state income taxes, to retain such tax-exempt status when distributed to shareholders of the Funds. Net realized capital gains and ordinary income distributions paid by the Funds are subject to federal taxation.

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.

#### Dividends and Distributions to Common Shareholders

Dividends from net investment income are declared monthly. Net realized capital gains and/or market discount 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 Common shareholders of net investment income, net realized capital gains and/or market discount, if any, 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.

#### Auction Rate Preferred Shares

Each Fund is authorized to issue Auction Rate Preferred Shares (“ARPS”). As of February 28, 2011, Michigan Dividend Advantage (NZW) redeemed all of its outstanding ARPS at liquidation value. During the fiscal year ended February 29, 2012, each Fund, with the exception of Michigan Dividend Advantage (NZW), had issued and outstanding ARPS, \$25,000 stated value per share, which approximates market value, as a means of effecting financial leverage. Each Fund’s ARPS were issued in one or more Series. The dividend rate paid by the Funds on each Series was determined every seven days, pursuant to a dutch auction process overseen by the auction agent, and was payable at the end of each rate period.

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

Beginning in February 2008, more shares for sale were submitted in the regularly scheduled auctions for the ARPS issued by the Funds than there were offers to buy. This meant that these auctions “failed to clear,” and that many ARPS shareholders who wanted to sell their shares in these auctions were unable to do so. ARPS shareholders unable to sell their shares received distributions at the “maximum rate” applicable to failed auctions as calculated in accordance with the pre-established terms of the ARPS. As of February 29, 2012, each Fund redeemed all of their outstanding ARPS, at liquidation value, as follows:

|                                     | Michigan<br>Quality<br>Income<br>(NUM ) | Michigan<br>Premium<br>Income<br>(NMP ) | Michigan<br>Dividend<br>Advantage<br>(NZW ) |   |
|-------------------------------------|---|---|---|---|
| ARPS redeemed, at liquidation value | \$ 94,000,000                           | \$ 56,000,000                           | \$ 16,000,000                               |   |
|                                     | Ohio<br>Quality<br>Income<br>(NUO )     | Ohio<br>Dividend<br>Advantage<br>(NXI ) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ )   | Ohio<br>Dividend<br>Advantage 3<br>(NVJ ) |
| ARPS redeemed, at liquidation value | \$ 77,000,000                           | \$ 31,000,000                           | \$ 24,000,000                               | \$ 16,500,000                             |

Nuveen Investments

87

Notes to  
Financial Statements (continued)

MuniFund Term Preferred Shares

The following Funds have issued and outstanding MuniFund Term Preferred (“MTP”) Shares, with a \$10 stated (“par”) value per share. Proceeds from the issuance of MTP Shares, net of offering expenses, were used to redeem all, or a portion of, each Fund’s outstanding ARPS. Each Fund’s MTP Shares are issued in one or more Series. Dividends on MTP Shares, which are recognized as interest expense for financial reporting purposes, are paid monthly at a fixed annual rate, subject to adjustments in certain circumstances. The MTP Shares trade on the NYSE. As of February 29, 2012, the number of MTP Shares outstanding, annual interest rate and NYSE “ticker” symbol for each Fund’s series of MTP Shares are as follows:

|             | Michigan Dividend Advantage (NZW) |                      |             | Ohio Dividend Advantage (NXI)   |                      |             |
|-------------|-----------------------------------|----------------------|-------------|---------------------------------|----------------------|-------------|
|             | Shares Outstanding                | Annual Interest Rate | NYSE Ticker | Shares Outstanding              | Annual Interest Rate | NYSE Ticker |
| Series 2015 | 1,631,300                         | 2.30%                | NZW<br>Pr C | 1,945,000                       | 2.35%                | NXI<br>Pr C |
| Series 2016 | —                                 | —                    | —           | 1,165,340                       | 2.95                 | NXI<br>Pr D |
|             | Ohio Dividend Advantage 2 (NBJ)   |                      |             | Ohio Dividend Advantage 3 (NVJ) |                      |             |
|             | Shares Outstanding                | Annual Interest Rate | NYSE Ticker | Shares Outstanding              | Annual Interest Rate | NYSE Ticker |
| Series 2014 | 2,424,400                         | 2.35%                | NBJ<br>Pr A | 1,847,015                       | 2.35%                | NVJ<br>Pr A |

Each Fund is obligated to redeem its MTP Shares by the date as specified in its offering document (“Term Redemption Date”), unless earlier redeemed or repurchased by the Fund. MTP Shares are subject to optional and mandatory redemption in certain circumstances. MTP Shares will be subject to redemption at the option of each Fund (“Optional Redemption Date”), subject to a payment of premium for one year following the Optional Redemption Date (“Premium Expiration Date”), and at par thereafter. MTP Shares also will be subject to redemption, at the option of each Fund, at par in the event of certain changes in the credit rating of the MTP Shares. Each Fund may be obligated to redeem certain of the MTP Shares if the Fund fails to maintain certain asset coverage and leverage ratio requirements and such failures are not cured by the applicable cure date. The redemption price per share is equal to the sum of the liquidation value per share plus any accumulated but unpaid dividends. The Term Redemption Date, Optional Redemption Date and Premium Expiration Date for each Fund’s series of MTP Shares are as follows:

|                      | Michigan Dividend Advantage (NZW)<br>Series 2015 | Ohio Dividend Advantage (NXI)<br>Series 2015 | Ohio Dividend Advantage (NXI)<br>Series 2016 | Ohio Dividend Advantage 2 (NBJ)<br>Series 2014 | Ohio Dividend Advantage 3 (NVJ)<br>Series 2014 |
|----------------------|--|--|--|--|--|
| Term Redemption Date | December 1, 2015                                 | December 1, 2015                             | April 1, 2016                                | May 1, 2014                                    | May 1, 2014                                    |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|                          |                   |                   |                |                |                |
|--------------------------|-------------------|-------------------|----------------|----------------|----------------|
| Optional Redemption Date | December 1, 2011  | December 1, 2011  | April 1, 2012  | April 1, 2012  | May 1, 2012    |
| Premium Expiration Date  | November 30, 2012 | November 30, 2012 | March 31, 2013 | March 31, 2013 | April 30, 2013 |

The average liquidation value of all MTP Shares outstanding for each Fund during the fiscal year ended February 29, 2012, was as follows:

|   | Michigan Dividend Advantage (NZW ) | Ohio Dividend Advantage (NXI ) | Ohio Dividend Advantage 2 (NBJ ) | Ohio Dividend Advantage 3 (NVJ )** |
|---|------------------------------------|--------------------------------|----------------------------------|------------------------------------|
| Average liquidation value of MTP Shares outstanding | \$ 16,313,000                      | \$ 30,541,860                  | \$ 24,082,806                    | \$ 18,401,751                      |

\* For the period April 5, 2011 (first issuance date of shares) through February 29, 2012.

\*\* For the period April 19, 2011 (first issuance date of shares) through February 29, 2012.

For financial reporting purposes only, the liquidation value of MTP Shares is recorded as a liability on the Statement of Assets and Liabilities. Unpaid dividends on MTP Shares are recognized as a component of "Interest payable" on the Statement of Assets and Liabilities. Dividends paid on MTP Shares are recognized as a component of "Interest expense and amortization of offering costs" on the Statement of Operations.

Nuveen has agreed that net amounts earned by Nuveen as underwriter of each Fund's MTP Share offerings would be credited to the Funds, and would be recorded as reductions of offering costs recognized by the Funds. During the fiscal year ended February 29, 2012, the net amounts earned by Nuveen for each Fund were as follows:

|                              | Michigan Dividend Advantage (NZW ) | Ohio Dividend Advantage (NXI ) | Ohio Dividend Advantage 2 (NBJ ) | Ohio Dividend Advantage 3 (NVJ ) |
|------------------------------|------------------------------------|--------------------------------|----------------------------------|----------------------------------|
| Net amounts earned by Nuveen | \$                                 | —\$                            | 482 \$                           | 1,717 \$                         |
|                              |                                    |                                |                                  | 1,209 \$                         |

## Variable Rate MuniFund Term Preferred Shares

The following Funds have issued and outstanding Variable Rate MuniFund Term Preferred (“VMTP”) Shares, with a \$100,000 liquidation value per share. Michigan Quality Income (NUM), Michigan Premium Income (NMP) and Ohio Quality Income (NUO) each issued its VMTP Shares in a privately negotiated offering in July 2011. Proceeds from the issuance of VMTP Shares, net of offering expenses, were used to redeem each Fund’s outstanding ARPS. Each Fund’s VMTP Shares were offered to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933. As of February 29, 2012, the number of VMTP Shares outstanding, at liquidation value, for each Fund are as follows:

|             | Michigan<br>Quality<br>Income<br>(NUM ) | Michigan<br>Premium<br>Income<br>(NMP ) | Ohio<br>Quality<br>Income<br>(NUO ) |
|-------------|---|---|-------------------------------------|
| Series 2014 | \$ 87,900,000                           | \$ 53,900,000                           | \$ 73,500,000                       |

Each Fund is obligated to redeem its VMTP Shares by the date as specified in its offering document (“Term Redemption Date”), unless earlier redeemed or repurchased by the Fund. VMTP Shares are subject to optional and mandatory redemption in certain circumstances. The VMTP Shares are subject to redemption at the option of each Fund (“Optional Redemption Date”), subject to payment of premium for one year following the Optional Redemption Date (“Premium Expiration Date”), and at par thereafter. Each Fund may be obligated to redeem certain of the VMTP Shares if the Fund fails to maintain certain asset coverage and leverage ratio requirements and such failures are not cured by the applicable cure date. The redemption price per share is equal to the sum of the liquidation value per share plus any accumulated but unpaid dividends. The Term Redemption Date, Optional Redemption Date and Premium Expiration Date for each Fund’s VMTP Shares are as follows:

|                          | Michigan<br>Quality<br>Income<br>(NUM ) | Michigan<br>Premium<br>Income<br>(NMP ) | Ohio<br>Quality<br>Income<br>(NUO ) |
|--------------------------|---|---|-------------------------------------|
| Term Redemption Date     | August 1,<br>2014                       | August 1,<br>2014                       | August 1,<br>2014                   |
| Optional Redemption Date | August 1,<br>2012                       | August 1,<br>2012                       | August 1,<br>2012                   |
| Premium Expiration Date  | July 31, 2012                           | July 31, 2012                           | July 31, 2012                       |

The average liquidation value of VMTP Shares outstanding and annualized dividend rate of VMTP Shares for each Fund during the fiscal year ended February 29, 2012, were as follows:

|  | Michigan<br>Quality<br>Income<br>(NUM )* | Michigan<br>Premium<br>Income<br>(NMP )** | Ohio<br>Quality<br>Income<br>(NUO )* |
|--|--|---|--------------------------------------|
| Average liquidation value of VMTP Shares outstanding | \$ 87,900,000                            | \$ 53,900,000                             | \$ 73,500,000                        |
| Annualized dividend rate                             | 1.18%                                    | 1.19%                                     | 1.18%                                |

\* For the period July 14, 2011 (issuance date of shares) through February 29, 2012.

\*\* For the period July 28, 2011 (issuance date of shares) through February 29, 2012.

Dividends on VMTP shares (which are treated as interest payments for financial reporting purposes) are set weekly.

For financial reporting purposes only, the liquidation value of VMTP Shares is recorded as a liability on the Statement of Assets and Liabilities. Unpaid dividends on VMTP Shares are recognized as a component of “Interest payable” on the Statement of Assets and Liabilities. Dividends paid on VMTP Shares are recognized as a component of “Interest expense and amortization of offering costs” on the Statement of Operations.

#### 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 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.

Nuveen Investments

89

Notes to  
Financial Statements (continued)

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”). 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. An investment in an externally-deposited inverse floater is identified in the Portfolio of Investments as “(IF) – Inverse floating rate investment.” 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 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 related interest paid to the holders of the short-term floating rate certificates as a component of “Interest expense and amortization of offering costs” on the Statement of Operations.

During the fiscal year ended February 29, 2012, each Fund invested in externally-deposited inverse floaters and/or self-deposited inverse floaters.

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.

At February 29, 2012, each Fund’s maximum exposure to externally-deposited Recourse Trusts was as follows:

|                                     | Michigan<br>Quality<br>Income<br>(NUM ) | Michigan<br>Premium<br>Income<br>(NMP ) | Michigan<br>Dividend<br>Advantage<br>(NZW ) | Ohio<br>Quality<br>Income<br>(NUO ) | Ohio<br>Dividend<br>Advantage<br>(NXI ) | Ohio<br>Dividend<br>Advantage<br>2<br>(NBJ ) | Ohio<br>Dividend<br>Advantage<br>3<br>(NVJ ) |
|-------------------------------------|---|---|---|-------------------------------------|---|--|--|
| Maximum exposure to Recourse Trusts | \$ 4,200,000                            | \$ 3,180,000                            | \$ 1,050,000                                | \$ 2,400,000                        | \$ 1,280,000                            | \$ 480,000                                   | \$ 320,000                                   |

The average floating rate obligations outstanding and average annual interest rate and fees related to self-deposited inverse floaters during the fiscal year ended February 29, 2012, were as follows:

|   | Michigan<br>Quality<br>Income<br>(NUM ) | Michigan<br>Premium<br>Income<br>(NMP ) | Michigan<br>Dividend<br>Advantage<br>(NZW ) |
|---|---|---|---|
| Average floating rate obligations outstanding | \$ 3,630,000                            | \$ 2,330,000                            | \$ 665,000                                  |



|                                       |       |       |       |
|---------------------------------------|-------|-------|-------|
| Average annual interest rate and fees | 0.88% | 0.88% | 0.88% |
|---------------------------------------|-------|-------|-------|

#### Derivative Financial Instruments

Each Fund is authorized to invest in certain derivative instruments, including foreign currency forwards, futures, options and swap contracts. Although each Fund is authorized to invest in such derivative instruments, and may do so in the future, they did not make any such investments during the fiscal year ended February 29, 2012.

#### 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. Futures contracts, when applicable, expose a Fund to minimal counterparty credit risk as they are exchange traded and the exchange's clearinghouse, which is counterparty to all exchange traded futures, guarantees the futures contracts against default.

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.

90 Nuveen Investments

---

### Zero Coupon Securities

Each Fund is authorized to invest in zero coupon securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax-exempt 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.

### Offering Costs

Costs incurred by the Funds in connection with their offerings of MTP Shares or VMTP Shares were recorded as a deferred charge, which are being amortized over the life of the shares. Each Fund's amortized deferred charges are recognized as a component of "Interest expense and amortization of offering costs" on the Statement of Operations. Each Fund's offering costs incurred were as follows:

|                            | Michigan<br>Dividend<br>Advantage<br>(NZW ) | Ohio<br>Dividend<br>Advantage<br>(NXI ) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ ) | Ohio<br>Dividend<br>Advantage3<br>(NVJ ) |
|----------------------------|---|---|---|--|
| MTP Shares offering costs  | \$ 574,695                                  | \$ 1,036,551                            | \$ 668,050                                | \$ 590,877                               |
|                            |   | Michigan<br>Quality<br>Income<br>(NUM ) | Michigan<br>Premium<br>Income<br>(NMP )   | Ohio<br>Quality<br>Income<br>(NUO )      |
| VMTP Shares offering costs |   | \$ 480,000                              | \$ 135,000                                | \$ 420,000                               |

### Custodian Fee Credit

Each Fund has an arrangement with the custodian bank whereby certain custodian fees and expenses are reduced by net credits earned on each Fund's cash on deposit with the bank. Such deposit arrangements are an alternative to overnight investments. Credits for cash balances may be offset by charges for any days on which a Fund overdraws its account at the custodian bank.

### Indemnifications

Under the Funds' organizational documents, their officers and directors/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.

### 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 applicable to Common shares from operations during the reporting period. Actual results may differ from those estimates.

## 2. 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 three-tier hierarchy of inputs is summarized in the three broad levels listed below:

- Level 1 – Quoted prices in active markets for identical securities.
- Level 2 – Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).
- Level 3 – Significant unobservable inputs (including management's assumptions in determining the fair value of investments).

Notes to  
Financial Statements (continued)

The inputs or methodologies used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of each Fund's fair value measurements as of February 29, 2012:

| Michigan Quality Income (NUM)     | Level 1 | Level 2         | Level 3 | Total           |
|-----------------------------------|---------|-----------------|---------|-----------------|
| <b>Investments:</b>               |         |                 |         |                 |
| Municipal Bonds                   | \$      | —\$ 271,165,290 | \$      | —\$ 271,165,290 |
| Michigan Premium Income (NMP)     | Level 1 | Level 2         | Level 3 | Total           |
| <b>Investments:</b>               |         |                 |         |                 |
| Municipal Bonds                   | \$      | —\$ 171,050,613 | \$      | —\$ 171,050,613 |
| Michigan Dividend Advantage (NZW) | Level 1 | Level 2         | Level 3 | Total           |
| <b>Investments:</b>               |         |                 |         |                 |
| Municipal Bonds                   | \$      | —\$ 48,894,462  | \$      | —\$ 48,894,462  |
| Ohio Quality Income (NUO)         | Level 1 | Level 2         | Level 3 | Total           |
| <b>Investments:</b>               |         |                 |         |                 |
| Municipal Bonds                   | \$      | —\$ 236,535,367 | \$      | —\$ 236,535,367 |
| Ohio Dividend Advantage (NXI)     | Level 1 | Level 2         | Level 3 | Total           |
| <b>Investments:</b>               |         |                 |         |                 |
| Municipal Bonds                   | \$      | —\$ 95,923,197  | \$      | —\$ 95,923,197  |
| Ohio Dividend Advantage 2 (NBJ)   | Level 1 | Level 2         | Level 3 | Total           |
| <b>Investments:</b>               |         |                 |         |                 |
| Municipal Bonds                   | \$      | —\$ 70,641,201  | \$      | —\$ 70,641,201  |
| Ohio Dividend Advantage 3 (NVJ)   | Level 1 | Level 2         | Level 3 | Total           |
| <b>Investments:</b>               |         |                 |         |                 |
| Municipal Bonds                   | \$      | —\$ 51,251,567  | \$      | —\$ 51,251,567  |

The following is a reconciliation of the following Fund's Level 3 investments held at the beginning and end of the measurement period:

| Ohio Dividend Advantage (NXI) Level 3 Municipal | Ohio Dividend Advantage 2 (NBJ) Level 3 Municipal | Ohio Dividend Advantage 3 (NVJ) Level 3 Municipal |
|---|---|---|
| )   | )   | )   |

|  | Bonds      | Bonds     | Bonds     |
|--|------------|-----------|-----------|
| Balance at the beginning of period   | \$ 127,750 | \$ 91,250 | \$ 73,000 |
| Gains (losses):  |            |           |           |
| Net realized gains (losses)  | —          | —         | —         |
| Net change in unrealized appreciation (depreciation)   | 2,048      | 1,463     | 1,170     |
| Purchases at cost  | —          | —         | —         |
| Sales at proceeds  | (31,770)   | (22,693)  | (18,154)  |
| Net discounts (premiums)   | —          | —         | —         |
| Transfers in to  | —          | —         | —         |
| Transfers out of   | (98,028)   | (70,020)  | (56,016)  |
| Balance at the end of period   | \$ —       | \$ —      | \$ —      |
| Change in net unrealized appreciation (depreciation) during the period of Level 3 securities held at the end of period | \$ —       | \$ —      | \$ —      |

During the fiscal year ended February 29, 2012, the Funds recognized no significant transfers to or from Level 1 or Level 2. Transfers in and/or out of Level 3 are shown using end of period values.

### 3. Derivative Instruments and Hedging Activities

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. The Funds did not invest in derivative instruments during the fiscal year ended February 29, 2012.

## 4. Fund Shares

## Common Shares

Transactions in Common shares were as follows:

|  | Michigan Quality<br>Income (NUM) |               | Michigan Premium<br>Income (NMP) |               | Michigan Dividend<br>Advantage (NZW) |               |
|--|----------------------------------|---------------|----------------------------------|---------------|--------------------------------------|---------------|
|  | Year<br>Ended                    | Year<br>Ended | Year<br>Ended                    | Year<br>Ended | Year<br>Ended                        | Year<br>Ended |
|  | 2/29/12                          | 2/28/11       | 2/29/12                          | 2/28/11       | 2/29/12                              | 2/28/11       |
| Common shares:   |                                  |               |                                  |               |                                      |               |
| Issued to shareholders<br>due to<br>reinvestment of<br>distributions | —                                | —             | —                                | —             | —                                    | —             |
| Repurchased and<br>retired   | (3,400)                          | (3,400)       | —                                | (8,300)       | —                                    | (1,700)       |
| Weighted average<br>Common share:                                    |                                  |               |                                  |               |                                      |               |
| Price per share<br>repurchased and<br>retired                        | \$ 13.00                         | \$ 12.75      | \$ —                             | \$ 12.63      | \$ —                                 | \$ 11.98      |
| Discount per share<br>repurchased and<br>retired                     | 14.30%                           | 13.81%        | —%                               | 12.55%        | —%                                   | 11.21%        |

|  | Ohio Quality<br>Income (NUO) |               | Ohio Dividend<br>Advantage (NXI) |               |
|--|------------------------------|---------------|----------------------------------|---------------|
|  | Year<br>Ended                | Year<br>Ended | Year<br>Ended                    | Year<br>Ended |
|  | 2/29/12                      | 2/28/11       | 2/29/12                          | 2/28/11       |
| Common shares:   |                              |               |                                  |               |
| Issued to shareholders due to<br>reinvestment of distributions | 11,572                       | 7,425         | 598                              | 2,631         |
| Repurchased and retired  | —                            | —             | —                                | —             |
| Weighted average Common share:                                 |                              |               |                                  |               |
| Price per share repurchased and retired                        | \$ —                         | \$ —          | \$ —                             | \$ —          |
| Discount per share repurchased and retired                     | —%                           | —%            | —%                               | —%            |

|  | Ohio Dividend<br>Advantage 2 (NBJ) |               | Ohio Dividend<br>Advantage 3 (NVJ) |               |
|--|------------------------------------|---------------|------------------------------------|---------------|
|  | Year<br>Ended                      | Year<br>Ended | Year<br>Ended                      | Year<br>Ended |
|  | 2/29/12                            | 2/28/11       | 2/29/12                            | 2/28/11       |
| Common shares:   |                                    |               |                                    |               |
| Issued to shareholders due to<br>reinvestment of distributions | —                                  | 926           | 248                                | 1,431         |
| Repurchased and retired  | —                                  | —             | —                                  | —             |
| Weighted average Common share:                                 |                                    |               |                                    |               |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|  |    |    |    |    |    |    |
|--|----|----|----|----|----|----|
| Price per share repurchased and retired    | \$ | —  | \$ | —  | \$ | —  |
| Discount per share repurchased and retired |    | —% |    | —% |    | —% |

Preferred Shares

Transactions in ARPS were as follows:

|  | Shares | Michigan Quality<br>Income (NUM) |                       | Shares | Amount |   |
|--|--------|----------------------------------|-----------------------|--------|--------|---|
|  |        | Year Ended<br>2/29/12            | Year Ended<br>2/28/11 |        |        |   |
| ARPS redeemed and/or noticed for redemption: |        |                                  |                       |        |        |   |
| Series TH                                    | 2,972  | \$                               | 74,300,000            | —      | \$     | — |
| Series F                                     | 521    |                                  | 13,025,000            | —      |        | — |
| Total  | 3,493  | \$                               | 87,325,000            | —      | \$     | — |

Nuveen Investments

93

Notes to  
Financial Statements (continued)

|  | Michigan Premium Income (NMP) |               |                       |        |
|--|-------------------------------|---------------|-----------------------|--------|
|  | Year Ended<br>2/29/12         |               | Year Ended<br>2/28/11 |        |
|  | Shares                        | Amount        | Shares                | Amount |
| ARPS redeemed and/or noticed for redemption: |                               |               |                       |        |
| Series M                                     | 805                           | \$ 20,125,000 | —                     | \$ —   |
| Series TH                                    | 1,343                         | 33,575,000    | —                     | —      |
| Total  | 2,148                         | \$ 53,700,000 | —                     | \$ —   |

|  | Michigan Dividend Advantage (NZW) |        |                       |               |
|--|-----------------------------------|--------|-----------------------|---------------|
|  | Year Ended<br>2/29/12             |        | Year Ended<br>2/28/11 |               |
|  | Shares                            | Amount | Shares                | Amount        |
| ARPS redeemed and/or noticed for redemption: |                                   |        |                       |               |
| Series W                                     | N/A                               | N/A    | 571                   | \$ 14,275,000 |

|  | Ohio Quality Income (NUO) |               |                       |        |
|--|---------------------------|---------------|-----------------------|--------|
|  | Year Ended<br>2/29/12     |               | Year Ended<br>2/28/11 |        |
|  | Shares                    | Amount        | Shares                | Amount |
| ARPS redeemed and/or noticed for redemption: |                           |               |                       |        |
| Series M                                     | 645                       | \$ 16,125,000 | —                     | \$ —   |
| Series TH                                    | 1,327                     | 33,175,000    | —                     | —      |
| Series TH2                                   | 948                       | 23,700,000    | —                     | —      |
| Total  | 2,920                     | \$ 73,000,000 | —                     | \$ —   |

|  | Ohio Dividend Advantage (NXI) |               |                       |               |
|--|-------------------------------|---------------|-----------------------|---------------|
|  | Year Ended<br>2/29/12         |               | Year Ended<br>2/28/11 |               |
|  | Shares                        | Amount        | Shares                | Amount        |
| ARPS redeemed and/or noticed for redemption: |                               |               |                       |               |
| Series W                                     | 500                           | \$ 12,500,000 | 660                   | \$ 16,500,000 |

|  | Ohio Dividend Advantage 2 (NBJ) |               |                       |        |
|--|---------------------------------|---------------|-----------------------|--------|
|  | Year Ended<br>2/29/12           |               | Year Ended<br>2/28/11 |        |
|  | Shares                          | Amount        | Shares                | Amount |
| ARPS redeemed and/or noticed for redemption: |                                 |               |                       |        |
| Series F                                     | 864                             | \$ 21,600,000 | —                     | \$ —   |

|  | Ohio Dividend Advantage 3 (NVJ) |        |                       |        |
|--|---------------------------------|--------|-----------------------|--------|
|  | Year Ended<br>2/29/12           |        | Year Ended<br>2/28/11 |        |
|  | Shares                          | Amount | Shares                | Amount |



ARPS redeemed and/or noticed for redemption:

|          |     |    |            |   |    |   |
|----------|-----|----|------------|---|----|---|
| Series T | 620 | \$ | 15,500,000 | — | \$ | — |
|----------|-----|----|------------|---|----|---|

N/A – As of February 28, 2011, Michigan Dividend Advantage (NZW) redeemed all of its outstanding ARPS at liquidation value.

94 Nuveen Investments

---

Transactions in MTP Shares were as follows:

|                    | Michigan Dividend Advantage (NZW) |        |            |               | Ohio Dividend Advantage (NXI) |               |            |               |
|--------------------|-----------------------------------|--------|------------|---------------|-------------------------------|---------------|------------|---------------|
|                    | Year Ended                        |        | Year Ended |               | Year Ended                    |               | Year Ended |               |
|                    | 2/29/12                           |        | 2/28/11    |               | 2/29/12                       |               | 2/28/11    |               |
|                    | Shares                            | Amount | Shares     | Amount        | Shares                        | Amount        | Shares     | Amount        |
| MTP Shares issued: |                                   |        |            |               |                               |               |            |               |
| Series 2015        | —                                 | \$ —   | 1,631,300  | \$ 16,313,000 | —                             | \$ —          | 1,945,000  | \$ 19,450,000 |
| Series 2016        | —                                 | —      | —          | —             | 1,165,340                     | 11,653,400    | —          | —             |
| Total              | —                                 | \$ —   | 1,631,300  | \$ 16,313,000 | 1,165,340                     | \$ 11,653,400 | 1,945,000  | \$ 19,450,000 |

|                    | Ohio Dividend Advantage 2 (NBJ) |               |            |        | Ohio Dividend Advantage 3 (NVJ) |               |            |        |
|--------------------|---------------------------------|---------------|------------|--------|---------------------------------|---------------|------------|--------|
|                    | Year Ended                      |               | Year Ended |        | Year Ended                      |               | Year Ended |        |
|                    | 2/29/12                         |               | 2/28/11    |        | 2/29/12                         |               | 2/28/11    |        |
|                    | Shares                          | Amount        | Shares     | Amount | Shares                          | Amount        | Shares     | Amount |
| MTP Shares issued: |                                 |               |            |        |                                 |               |            |        |
| Series 2014        | 2,424,400                       | \$ 24,244,000 | —          | \$ —   | 1,847,015                       | \$ 18,470,150 | —          | \$ —   |

Transactions in VMTP Shares were as follows:

|                     | Michigan Quality Income (NUM) |               |            |        | Michigan Premium Income (NMP) |               |            |        |
|---------------------|-------------------------------|---------------|------------|--------|-------------------------------|---------------|------------|--------|
|                     | Year Ended                    |               | Year Ended |        | Year Ended                    |               | Year Ended |        |
|                     | 2/29/12                       |               | 2/28/11    |        | 2/29/12                       |               | 2/28/11    |        |
|                     | Shares                        | Amount        | Shares     | Amount | Shares                        | Amount        | Shares     | Amount |
| VMTP Shares issued: |                               |               |            |        |                               |               |            |        |
| Series 2014         | 879                           | \$ 87,900,000 | —          | \$ —   | 539                           | \$ 53,900,000 | —          | \$ —   |

|                     | Ohio Quality Income (NUO) |               |            |        |
|---------------------|---------------------------|---------------|------------|--------|
|                     | Year Ended                |               | Year Ended |        |
|                     | 2/29/12                   |               | 2/28/11    |        |
|                     | Shares                    | Amount        | Shares     | Amount |
| VMTP Shares issued: |                           |               |            |        |
| Series 2014         | 735                       | \$ 73,500,000 | —          | \$ —   |

## 5. Investment Transactions

Purchases and sales (including maturities but excluding short-term investments, where applicable) during the fiscal year ended February 29, 2012, were as follows:

|                      | Michigan Quality Income (NUM) | Michigan Premium Income (NMP) | Michigan Dividend Advantage (NZW) |
|----------------------|-------------------------------|-------------------------------|-----------------------------------|
| Purchases            | \$ 35,320,208                 | \$ 29,620,564                 | \$ 12,679,189                     |
| Sales and maturities | 37,633,805                    | 29,895,095                    | 13,623,033                        |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|                      | Ohio<br>Quality<br>Income<br>(NUO) | Ohio<br>Dividend<br>Advantage<br>(NXI) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ) | Ohio<br>Dividend<br>Advantage 3<br>(NVJ) |
|----------------------|------------------------------------|--|--|--|
| Purchases            | \$ 23,701,486                      | \$ 14,602,411                          | \$ 12,663,283                            | \$ 9,094,558                             |
| Sales and maturities | 24,616,571                         | 16,321,160                             | 11,621,846                               | 7,087,284                                |

Nuveen Investments

95

Notes to  
Financial Statements (continued)

### 6. Income Tax Information

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 taxable market discount, 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 net asset values of the Funds.

At February 29, 2012, the cost and unrealized appreciation (depreciation) of investments, as determined on a federal income tax basis, were as follows:

|   |    | Michigan<br>Quality<br>Income<br>(NUM) |    | Michigan<br>Premium<br>Income<br>(NMP) |    | Michigan<br>Dividend<br>Advantage<br>(NZW) |
|---|----|--|----|--|----|--|
| Cost of investments                                       | \$ | 246,115,232                            | \$ | 158,728,479                            | \$ | 43,009,061                                 |
| Gross unrealized:   |    |  |    |  |    |  |
| Appreciation  | \$ | 21,840,431                             | \$ | 10,188,458                             | \$ | 3,326,617                                  |
| Depreciation  |    | (420,292)                              |    | (196,545)                              |    | (106,096)                                  |
| Net unrealized appreciation (depreciation) of investments | \$ | 21,420,139                             | \$ | 9,991,913                              | \$ | 3,220,521                                  |

|   |    | Ohio<br>Quality<br>Income<br>(NUO) |    | Ohio<br>Dividend<br>Advantage<br>(NXI) |    | Ohio<br>Dividend<br>Advantage 2<br>(NBJ) |    | Ohio<br>Dividend<br>Advantage 3<br>(NVJ) |
|---|----|------------------------------------|----|--|----|--|----|--|
| Cost of investments                                       | \$ | 217,334,913                        | \$ | 88,790,493                             | \$ | 65,690,114                               | \$ | 47,507,043                               |
| Gross unrealized:   |    |                                    |    |  |    |  |    |  |
| Appreciation  | \$ | 19,328,282                         | \$ | 7,840,155                              | \$ | 5,374,533                                | \$ | 4,087,124                                |
| Depreciation  |    | (127,828)                          |    | (707,451)                              |    | (423,446)                                |    | (342,600)                                |
| Net unrealized appreciation (depreciation) of investments | \$ | 19,200,454                         | \$ | 7,132,704                              | \$ | 4,951,087                                | \$ | 3,744,524                                |

Permanent differences, primarily due to federal taxes paid, taxable market discount and nondeductible offering costs, resulted in reclassifications among the Funds' components of Common share net assets at February 29, 2012, the Funds' tax year end, as follows:

|  |    | Michigan<br>Quality<br>Income<br>(NUM) |    | Michigan<br>Premium<br>Income<br>(NMP) |    | Michigan<br>Dividend<br>Advantage<br>(NZW) |
|--|----|--|----|--|----|--|
| Paid-in surplus  | \$ | (99,443)                               | \$ | (26,609)                               | \$ | (114,130)                                  |
| Undistributed (Over-distribution of) net investment income |    | 98,054                                 |    | 13,489                                 |    | 111,892                                    |
| Accumulated net realized gain (loss)                       |    | 1,389                                  |    | 13,120                                 |    | 2,238                                      |

) ) ) )

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

|  | Ohio<br>Quality<br>Income<br>(NUO) | Ohio<br>Dividend<br>Advantage<br>(NXI) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ) | Ohio<br>Dividend<br>Advantage 3<br>(NVJ) |
|--|------------------------------------|--|--|--|
| Paid-in surplus  | \$ (85,277)                        | \$ (201,901)                           | \$ (195,375)                             | \$ (167,688)                             |
| Undistributed (Over-distribution of) net investment income | 76,917                             | 196,876                                | 190,503                                  | 163,174                                  |
| Accumulated net realized gain (loss)                       | 8,360                              | 5,025                                  | 4,872                                    | 4,514                                    |

The tax components of undistributed net tax-exempt income, net ordinary income and net long-term capital gains at February 29, 2012, the Funds' tax year end, were as follows:

|   | Michigan<br>Quality<br>Income<br>(NUM) | Michigan<br>Premium<br>Income<br>(NMP) | Michigan<br>Dividend<br>Advantage<br>(NZW) |
|---|--|--|--|
| Undistributed net tax-exempt income*      | \$ 4,019,416                           | \$ 2,582,010                           | \$ 418,798                                 |
| Undistributed net ordinary income**       | 1,802                                  | 201                                    | —  |
| Undistributed net long-term capital gains | —                                      | —                                      | —  |

96 Nuveen Investments

|   | Ohio<br>Quality<br>Income<br>(NUO) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ) | Ohio<br>Dividend<br>Advantage 3<br>(NVJ) |
|---|------------------------------------|--|--|--|
| Undistributed net tax-exempt income*      | \$ 3,865,603                       | \$ 946,850                               | \$ 907,200                               | \$ 652,975                               |
| Undistributed net ordinary income**       | 66,795                             | 19,446                                   | 4,694                                    | 15,019                                   |
| Undistributed net long-term capital gains | —                                  | —  | —  | —  |

\* Undistributed net tax-exempt income (on a tax basis) has not been reduced for the dividend declared on February 1, 2012, paid on March 1, 2012.

\*\* Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

The tax character of distributions paid during the Funds' tax years ended February 29, 2012 and February 28, 2011, was designated for purposes of the dividends paid deduction as follows:

| 2012   | Michigan<br>Quality<br>Income<br>(NUM) | Michigan<br>Premium<br>Income<br>(NMP) | Michigan<br>Dividend<br>Advantage<br>(NZW) |
|--|--|--|--|
| Distributions from net tax-exempt income***    | \$ 10,625,977                          | \$ 6,881,890                           | \$ 2,025,887                               |
| Distributions from net ordinary income**       | —                                      | —                                      | —  |
| Distributions from net long-term capital gains | —                                      | —                                      | —  |

| 2012   | Ohio<br>Quality<br>Income<br>(NUO) | Ohio<br>Dividend<br>Advantage<br>(NXI) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ) | Ohio<br>Dividend<br>Advantage 3<br>(NVJ) |
|--|------------------------------------|--|--|--|
| Distributions from net tax-exempt income***    | \$ 9,599,169                       | \$ 4,506,686                           | \$ 3,102,895                             | \$ 2,307,353                             |
| Distributions from net ordinary income**       | —                                  | —                                      | —  | —  |
| Distributions from net long-term capital gains | —                                  | —                                      | —  | —  |

| 2011   | Michigan<br>Quality<br>Income<br>(NUM) | Michigan<br>Premium<br>Income<br>(NMP) | Michigan<br>Dividend<br>Advantage<br>(NZW) |
|--|--|--|--|
| Distributions from net tax-exempt income       | \$ 9,890,005                           | \$ 6,426,137                           | \$ 1,756,176                               |
| Distributions from net ordinary income**       | —                                      | —                                      | —  |
| Distributions from net long-term capital gains | —                                      | —                                      | —  |

| 2011   | Ohio<br>Quality<br>Income<br>(NUO) | Ohio<br>Dividend<br>Advantage<br>(NXI) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ) | Ohio<br>Dividend<br>Advantage 3<br>(NVJ) |
|--|------------------------------------|--|--|--|
| Distributions from net tax-exempt income       | \$ 9,038,269                       | \$ 3,877,989                           | \$ 2,701,429                             | \$ 1,997,821                             |
| Distributions from net ordinary income**       | —                                  | —                                      | —  | —  |
| Distributions from net long-term capital gains | —                                  | —                                      | —  | —  |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

\*\* Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

\*\*\* The Funds hereby designate these amounts paid during the fiscal year ended February 29, 2012, as Exempt Interest Dividends.

At February 29, 2012, the Funds' 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 follows:

|                      | Michigan<br>Quality<br>Income<br>(NUM) | Michigan<br>Premium<br>Income<br>(NMP) | Michigan<br>Dividend<br>Advantage<br>(NZW) | Ohio<br>Quality<br>Income<br>(NUO) | Ohio<br>Dividend<br>Advantage<br>(NXI) | Ohio<br>Dividend<br>Advantage 2<br>(NBJ) | Ohio<br>Dividend<br>Advantage<br>3<br>(NVJ) |
|----------------------|--|--|--|------------------------------------|--|--|---|
| Expiration:          |  |  |  |                                    |  |  |   |
| February 28,<br>2017 | \$ —                                   | \$ 9,738                               | \$ 327,197                                 | \$ 1,211,421                       | \$ —                                   | \$ 491,565                               | \$ 52,532                                   |
| February 28,<br>2018 | 2,327,226                              | 1,586,140                              | 834,359                                    | 78,027                             | —                                      | 211,828                                  | 177,836                                     |
| February 28,<br>2019 | —                                      | —                                      | —  | 1,468,286                          | 596,403                                | 310,572                                  | 275,067                                     |
| Total                | \$ 2,327,226                           | \$ 1,595,878                           | \$ 1,161,556                               | \$ 2,757,734                       | \$ 596,403                             | \$ 1,013,965                             | \$ 505,435                                  |

Nuveen Investments

97

Notes to  
Financial Statements (continued)

During the Funds' tax year ended February 29, 2012, the following Funds utilized capital loss carryforwards as follows:

|                                     | Michigan<br>Quality<br>Income<br>(NUM) | Michigan<br>Premium<br>Income<br>(NMP) | Michigan<br>Dividend<br>Advantage<br>(NZW) | Ohio<br>Quality<br>Income<br>(NUO) | Ohio<br>Dividend<br>Advantage<br>2<br>(NBJ) |
|-------------------------------------|--|--|--|------------------------------------|---|
| Utilized capital loss carryforwards | \$ 451,364                             | \$ 269,079                             | \$ 114,555                                 | \$ 97,638                          | \$ 45,452                                   |

On December 22, 2010, the Regulated Investment Company Modernization Act of 2010 (the "Act") was enacted, which changed various technical rules governing the tax treatment of RICs. The changes are generally effective for taxable years beginning after the date of enactment. One of the more prominent changes addresses capital loss carryforwards. Under the Act, each Fund will be permitted to carry forward capital losses incurred in taxable years beginning after the date of enactment for an unlimited period. However, any losses incurred during those future taxable years will be required to be utilized prior to the losses incurred in pre-enactment taxable years, which carry an expiration date. As a result of this ordering rule, pre-enactment capital loss carryforwards may be more likely to expire unused. Additionally, post-enactment capital loss carryforwards will retain their character as either short-term or long-term capital losses rather than being considered all short-term as permitted under previous regulation.

The Act also contains several provisions aimed at preserving the character of distributions made by a fiscal year RIC during the portion of its taxable year ending after October 31 or December 31, reducing the circumstances under which a RIC might be required to file amended Forms 1099 to restate previously reported distributions.

Capital losses incurred that will be carried forward under the provisions of the Act are as follows:

|                       | Ohio<br>Dividend<br>Advantage<br>(NXI) | Ohio<br>Dividend<br>Advantage<br>3<br>(NVJ) |
|-----------------------|--|---|
| Post-enactment losses |  |   |
| Short-term            | \$ 24,438                              | \$ 37,394                                   |
| Long-term             | —                                      | —   |

The Funds have elected to defer losses incurred from November 1, 2011 through February 29, 2012, the Funds' tax year end, in accordance with federal income tax rules. These losses are treated as having arisen on the first day of the following fiscal year. The following Fund has elected to defer losses as follows:

|                             | Michigan<br>Dividend<br>Advantage<br>(NZW) |
|-----------------------------|--|
| Post-October capital losses | \$ 928                                     |
| Late-year ordinary losses   | —  |

## 7. Management Fees and Other Transactions with Affiliates



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*       | Michigan Quality Income (NUM)<br>Michigan Premium Income (NMP)<br>Ohio Quality Income (NUO)<br>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 the next \$3 billion            | .3875  |
| For managed assets over \$5 billion | .3750  |

98 Nuveen Investments

---

| 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 | .3750               |

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 financial leverage. For these purposes, financial 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 February 29, 2012, the complex-level fee rate for each of these Funds was .1724%.

The management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. The Adviser is responsible for each Fund's overall strategy and asset allocation decisions. The Adviser has entered into sub-advisory agreements with Nuveen Asset Management, LLC (the "Sub-Adviser"), a wholly-owned subsidiary of the Adviser, under which the Sub-Adviser manages the investment portfolios of the Funds. The Sub-Adviser is compensated for its services to the Funds from the management fees paid to the Adviser.

The Funds pay no compensation directly to those of its directors/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 of Directors/Trustees has adopted a deferred compensation plan for independent directors/trustees that enables directors/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.

Nuveen Investments

99

---

Notes to  
Financial Statements (continued)

For the first ten years of Ohio Dividend Advantage's (NXI) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily managed assets, for fees and expenses in the amounts and for the time periods set forth below:

| Year Ending<br>March 31, |      | Year Ending<br>March 31, |      |
|--------------------------|------|--------------------------|------|
| 2001*                    | .30% | 2007                     | .25% |
| 2002                     | .30  | 2008                     | .20  |
| 2003                     | .30  | 2009                     | .15  |
| 2004                     | .30  | 2010                     | .10  |
| 2005                     | .30  | 2011                     | .05  |
| 2006                     | .30  |                          |      |

\* From the commencement of operations.

The Adviser has not agreed to reimburse Ohio Dividend Advantage (NXI) for any portion of its fees and expenses beyond March 31, 2011.

For the first ten years of Michigan Dividend Advantage's (NZW) and Ohio Dividend Advantage 2's (NBJ) operations, the Adviser has agreed to reimburse the Funds, as a percentage of average daily managed assets, for fees and expenses in the amounts and for the time periods set forth below:

| Year Ending<br>September 30, |      | Year Ending<br>September 30, |      |
|------------------------------|------|------------------------------|------|
| 2001*                        | .30% | 2007                         | .25% |
| 2002                         | .30  | 2008                         | .20  |
| 2003                         | .30  | 2009                         | .15  |
| 2004                         | .30  | 2010                         | .10  |
| 2005                         | .30  | 2011                         | .05  |
| 2006                         | .30  |                              |      |

\* From the commencement of operations.

The Adviser has not agreed to reimburse Michigan Dividend Advantage (NZW) and Ohio Dividend Advantage 2 (NBJ) for any portion of their fees and expenses beyond September 30, 2011.

For the first ten years of Ohio Dividend Advantage 3's (NVJ) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily managed assets, for fees and expenses in the amounts and for the time periods set forth below:

| Year Ending<br>March 31, |      | Year Ending<br>March 31, |      |
|--------------------------|------|--------------------------|------|
| 2002*                    | .30% | 2008                     | .25% |
| 2003                     | .30  | 2009                     | .20  |
| 2004                     | .30  | 2010                     | .15  |

|      |     |      |     |
|------|-----|------|-----|
| 2005 | .30 | 2011 | .10 |
| 2006 | .30 | 2012 | .05 |
| 2007 | .30 |      |     |

\* From the commencement of operations.

The Adviser has not agreed to reimburse Ohio Dividend Advantage 3 (NVJ) for any portion of its fees and expenses beyond March 31, 2012.

## 8. New Accounting Pronouncements

### Fair Value Measurements and Disclosures

On May 12, 2011, the Financial Accounting Standards Board (“FASB”) issued an Accounting Standard Update (“ASU”) No. 2011-04 (“ASU No. 2011-04”) modifying Topic 820, Fair Value Measurements and Disclosures. At the same time, the International Accounting Standards Board (“IASB”) issued International Financial Reporting Standard (“IFRS”) 13, Fair Value Measurement. The objective of the FASB and IASB is convergence of their guidance on fair value measurements and disclosures. Specifically, ASU No. 2011-04 requires reporting entities to disclose i) the amounts of any transfers between Level 1 and Level 2 and the reasons for the transfers and ii) for Level 3 fair value measurements, a) quantitative information about significant unobservable inputs used, b) a description of the valuation processes used by the reporting entity and c) a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs if a change in those inputs might result in a significantly higher or lower fair value measurement. The effective date of ASU No. 2011-04 is for interim and annual periods beginning after December 15, 2011. At this time, management is evaluating the implications of this guidance and the impact it will have on the financial statement amounts and footnote disclosures, if any.

100 Nuveen Investments

---

## 9. Subsequent Event

## Approved Fund Reorganizations

On April 18, 2012, the Funds' Board of Directors/Trustees approved a series of reorganizations for all the Michigan and Ohio Funds included in this report. The reorganizations are intended to create a single larger state Fund, which would potentially offer shareholders the following benefits:

- Lower Fund expense ratios (excluding the effects of leverage), as fixed costs are spread over a larger asset base;
- Enhanced secondary market trading, as larger Funds potentially make it easier for investors to buy and sell Fund shares;
- Lower per share trading costs through reduced bid/ask spreads due to a larger common share float; and
- Increased Fund flexibility in managing the structure and cost of leverage over time.

The approved reorganizations are as follows:

| Acquired Funds                      | Acquiring Fund                  |
|-------------------------------------|---------------------------------|
| • Michigan Premium Income (NMP)     | • Michigan Quality Income (NUM) |
| • Michigan Dividend Advantage (NZW) |                                 |
| • Ohio Dividend Advantage (NXI)     |                                 |
| • Ohio Dividend Advantage 2 (NBJ)   | • Ohio Quality Income (NUO)     |
| • Ohio Dividend Advantage 3 (NVJ)   |                                 |

If shareholders approve the reorganizations, and upon the closing of the reorganizations, the Acquired Funds will transfer substantially all of their assets to the Acquiring Funds in exchange for common and preferred shares of the Acquiring Funds, and the assumption by the Acquiring Funds of the liabilities of the Acquired Funds. The Acquired Funds will then be liquidated, dissolved and terminated in accordance with their Declaration of Trust.

## Board Members &amp; Officers (Unaudited)

The management of the Funds, including general supervision of the duties performed for the Funds by the Adviser, is the responsibility of the board members of the Funds. The number of board members of the Funds is currently set at ten. None of the board members who are not “interested” persons of the Funds (referred to herein as “independent board members”) has ever been a director or employee of, or consultant to, Nuveen or its affiliates. The names and business addresses of the board members and officers of the Funds, their principal occupations and other affiliations during the past five years, the number of portfolios each oversees and other directorships they hold are set forth below.

| Name,<br>Birthdate<br>& Address | Position(s)<br>Held<br>with the<br>Funds | Year First<br>Elected or<br>Appointed<br>and<br>Term(1) | Principal<br>Occupation(s)<br>including other<br>Directorships<br>During Past 5 Years | Number<br>of Portfolios<br>in Fund<br>Complex<br>Overseen by<br>Board Member |
|---------------------------------|--|---|---|--|
|---------------------------------|--|---|---|--|

## Independent Board Members:

|   |   |                   |   |     |
|---|---|-------------------|---|-----|
| ROBERT P.<br>BREMNER<br>8/22/40<br>333 W. Wacker<br>Drive<br>Chicago, IL<br>60606 | Chairman of<br>the Board<br>and Board<br>Member | 1996<br>Class III | Private Investor and Management<br>Consultant; Treasurer and Director,<br>Humanities Council of Washington,<br>D.C.; Board Member, Independent<br>Directors Council affiliated with the<br>Investment Company Institute.  | 235 |
| JACK B.<br>EVANS<br>10/22/48<br>333 W. Wacker<br>Drive<br>Chicago, IL<br>60606    | Board<br>Member                                 | 1999<br>Class III | President, The Hall-Perrine<br>Foundation, a private philanthropic<br>corporation (since 1996); Director<br>and Chairman, United Fire Group, a<br>publicly held company; member of<br>the Board of Regents for the State of<br>Iowa University System; Director,<br>Source Media Group; Life Trustee of<br>Coe College and the Iowa College<br>Foundation; formerly, Director,<br>Alliant Energy; formerly, Director,<br>Federal Reserve Bank of Chicago;<br>formerly, President and Chief<br>Operating Officer, SCI Financial<br>Group, Inc., a regional financial<br>services firm. | 235 |
| WILLIAM C.<br>HUNTER<br>3/6/48  | Board<br>Member                                 | 2004<br>Class I   | Dean, Tippie College of Business,<br>University of Iowa (since 2006);<br>Director (since 2004) of Xerox<br>Corporation; Director (since 2005),  | 235 |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

333 W. Wacker  
Drive  
Chicago, IL  
60606

Beta Gamma Sigma International Honor Society; Director of Wellmark, Inc. (since 2009); formerly, Dean and Distinguished Professor of Finance, School of Business at the University of Connecticut (2003-2006); previously, Senior Vice President and Director of Research at the Federal Reserve Bank of Chicago (1995-2003); formerly, Director (1997-2007), Credit Research Center at Georgetown University.

DAVID J.  
KUNDERT  
10/28/42  
333 W. Wacker  
Drive  
Chicago, IL  
60606

Board  
Member  
2005  
Class II

Director, Northwestern Mutual Wealth Management Company; retired (since 2004) as Chairman, JPMorgan Fleming Asset Management, President and CEO, Banc One Investment Advisors Corporation, and President, One Group Mutual Funds; prior thereto, Executive Vice President, Banc One Corporation and Chairman and CEO, Banc One Investment Management Group; Member, Board of Regents, Luther College; member of the Wisconsin Bar Association; member of Board of Directors, Friends of Boerner Botanical Gardens; member of Board of Directors and Chair of Investment Committee, Greater Milwaukee Foundation.

235

WILLIAM J.  
SCHNEIDER  
9/24/44  
333 W. Wacker  
Drive  
Chicago, IL  
60606

Board  
Member  
1996  
Class III

Chairman of Miller-Valentine Partners Ltd., a real estate investment company; formerly, Senior Partner and Chief Operating Officer (retired 2004) of Miller-Valentine Group; member, University of Dayton Business School Advisory Council; member, Mid-America Health System Board; formerly, member and chair, Dayton Philharmonic Orchestra Association; formerly, member, Business Advisory Council, Cleveland Federal Reserve Bank.

235





| Name,<br>Birthdate<br>& Address | Position(s)<br>Held<br>with the<br>Funds | Year First<br>Elected or<br>Appointed<br>and<br>Term(1) | Principal<br>Occupation(s)<br>Including other<br>Directorships<br>During Past 5 Years | Number<br>of Portfolios<br>in Fund<br>Complex<br>Overseen by<br>Board Member |
|---------------------------------|--|---|---|--|
|---------------------------------|--|---|---|--|

## Independent Board Members:

|  |                 |                  |  |     |
|--|-----------------|------------------|--|-----|
| JUDITH M.<br>STOCKDALE<br>12/29/47<br>333 W. Wacker<br>Drive<br>Chicago, IL<br>60606 | Board<br>Member | 1997<br>Class I  | Executive Director, Gaylord and Dorothy Donnelley Foundation (since 1994); prior thereto, Executive Director, Great Lakes Protection Fund (1990-1994).   | 235 |
| CAROLE E.<br>STONE<br>6/28/47<br>333 W. Wacker<br>Drive<br>Chicago, IL<br>60606      | Board<br>Member | 2007<br>Class I  | Director, Chicago Board Options Exchange (since 2006); Director, C2 Options Exchange, Incorporated (since 2009); formerly, Commissioner, New York State Commission on Public Authority Reform (2005-2010); formerly, Chair, New York Racing Association Oversight Board (2005-2007).   | 235 |
| VIRGINIA L.<br>STRINGER<br>8/16/44<br>333 W. Wacker<br>Drive<br>Chicago, IL<br>60606 | Board<br>Member | 2011             | Board Member, Mutual Fund Directors Forum; Member, Governing Board, Investment Company Institute's Independent Directors Council; governance consultant and non-profit board member; former Owner and President, Strategic Management Resources, Inc. a management consulting firm; previously, held several executive positions in general management, marketing and human resources at IBM and The Pillsbury Company; Independent Director, First American Fund Complex (1987-2010) and Chair (1997-2010). | 235 |
| TERENCE J.<br>TOTH<br>9/29/59<br>333 W. Wacker<br>Drive                              | Board<br>Member | 2008<br>Class II | Director, Legal & General Investment Management America, Inc. (since 2008); Managing Partner, Promus Capital (since 2008); formerly, CEO and President,  | 235 |

Chicago, IL  
60606

Northern Trust Global Investments (2004-2007); Executive Vice President, Quantitative Management & Securities Lending (2000-2004); prior thereto, various positions with Northern Trust Company (since 1994); member: Goodman Theatre Board (since 2004), Chicago Fellowship Board (since 2005) and Catalyst Schools of Chicago Board (since 2008); formerly, member: Northern Trust Mutual Funds Board (2005-2007), Northern Trust Global Investments Board (2004-2007), Northern Trust Japan Board (2004-2007), Northern Trust Securities Inc. Board (2003-2007) and Northern Trust Hong Kong Board (1997-2004).

Interested Board Member:

JOHN P.  
AMBOIAN(2)  
6/14/61  
333 W. Wacker  
Drive  
Chicago, IL  
60606

Board  
Member  
2008  
Class II

Chief Executive Officer and Chairman (since 2007) and Director (since 1999) of Nuveen Investments, Inc., formerly, President (1999-2007); Chief Executive Officer (since 2007) of Nuveen Investments Advisers, Inc.; Director (since 1998) formerly, Chief Executive Officer (2007-2010) of Nuveen Fund Advisers, Inc. 235

Nuveen Investments

103

## Board Members &amp; Officers (Unaudited) (continued)

| Name,<br>Birthdate<br>and Address | Position(s)<br>Held<br>with the Funds | Year First<br>Elected or<br>Appointed(3) | Principal<br>Occupation(s)<br>During Past 5 Years | Number<br>of Portfolios<br>in Fund<br>Complex<br>Overseen<br>by Officer |
|-----------------------------------|---------------------------------------|--|---|---|
|-----------------------------------|---------------------------------------|--|---|---|

## Officers of the Funds:

|   |                                    |      |   |     |
|---|------------------------------------|------|---|-----|
| GIFFORD R.<br>ZIMMERMAN<br>9/9/56<br>333 W. Wacker<br>Drive<br>Chicago, IL<br>60606 | Chief<br>Administrative<br>Officer | 1988 | Managing Director (since 2002),<br>Assistant Secretary and Associate<br>General Counsel of Nuveen<br>Securities, LLC; Managing Director<br>(since 2004) and Assistant Secretary<br>(since 1994) of Nuveen Investments,<br>Inc.; Managing Director (since 2002),<br>Assistant Secretary (since 1997) and<br>Co-General Counsel (since 2011) of<br>Nuveen Fund Advisors, Inc.;<br>Managing Director, Assistant<br>Secretary and Associate General<br>Counsel of Nuveen Asset<br>Management, LLC (since<br>2011); Managing Director, Associate<br>General Counsel and Assistant<br>Secretary, of Symphony Asset<br>Management LLC (since 2003); Vice<br>President and Assistant Secretary of<br>NWQ Investment Management<br>Company, LLC (since 2002), Nuveen<br>Investments Advisers Inc. (since<br>2002), Santa Barbara Asset<br>Management, LLC (since 2006), and<br>of Winslow Capital Management Inc.<br>(since 2010) Chief Administrative<br>Officer and Chief Compliance<br>Officer (since 2010) of Nuveen<br>Commodities Asset Management,<br>LLC; Chartered Financial Analyst. | 235 |
| WILLIAM<br>ADAMS IV<br>6/9/55<br>333 W. Wacker<br>Drive<br>Chicago, IL<br>60606     | Vice President                     | 2007 | Senior Executive Vice President,<br>Global Structured Products (since<br>2010), formerly, Executive Vice<br>President (1999-2010) of Nuveen<br>Securities, LLC; Co-President of<br>Nuveen Fund Advisors, Inc. (since<br>2011); formerly, Managing Director  | 133 |

|   |                               |   |     |
|---|-------------------------------|---|-----|
|   |                               | (2010-2011) of Nuveen Commodities Asset Management, LLC.  |     |
| CEDRIC H. ANTOSIEWICZ                                   | Vice President                | Managing Director of Nuveen Securities, LLC.  | 133 |
| 1/11/62<br>333 W. Wacker Drive<br>Chicago, IL<br>60606  | 2007                          |   |     |
| MARGO L. COOK   | Vice President                | Executive Vice President (since 2008) of Nuveen Investments, Inc. and of Nuveen Fund Advisors, Inc. (since 2011); Managing Director-Investment Services of Nuveen Commodities Asset Management, LLC (since August 2011), previously, Head of Institutional Asset Management (2007-2008) of Bear Stearns Asset Management; Head of Institutional Asset Management (1986-2007) of Bank of NY Mellon; Chartered Financial Analyst. | 235 |
| 4/11/64<br>333 W. Wacker Drive<br>Chicago, IL<br>60606  | 2009                          |   |     |
| LORNA C. FERGUSON                                       | Vice President                | Managing Director (since 2005) of Nuveen Fund Advisors, Inc. and Nuveen Securities, LLC (since 2004).   | 235 |
| 10/24/45<br>333 W. Wacker Drive<br>Chicago, IL<br>60606 | 1998                          |   |     |
| STEPHEN D. FOY  | Vice President and Controller | Senior Vice President (since 2010), formerly, Vice President (2005-2010) and Funds Controller of Nuveen Securities, LLC; Vice President of Nuveen Fund Advisors, Inc.; Chief Financial Officer of Nuveen Commodities Asset Management, LLC; (since 2010) Certified Public Accountant.   | 235 |
| 5/31/54<br>333 W. Wacker Drive<br>Chicago, IL<br>60606  | 1998                          |   |     |

Edgar Filing: TRANSAX INTERNATIONAL LTD - Form 10-K

| Name,<br>Birthdate<br>and Address   | Position(s)<br>Held<br>with the<br>Funds                | Year First<br>Elected or<br>Appointed(3) | Principal<br>Occupation(s)<br>During Past 5 Years   | Number<br>of Portfolios<br>in Fund<br>Complex<br>Overseen by<br>Officer |
|---|---|--|---|---|
| Officers of the Funds:  |   |  |   |   |
| SCOTT S.<br>GRACE<br>8/20/70<br>333 W. Wacker<br>Drive<br>Chicago, IL<br>60606  | Vice<br>President<br>and Treasurer                      | 2009                                     | Managing Director, Corporate Finance & Development, Treasurer (since 2009) of Nuveen Securities, LLC; Managing Director and Treasurer (since 2009) of Nuveen Fund Advisors, Inc., Nuveen Investment Solutions, Inc., Nuveen Investments Advisers, Inc., Nuveen Investments Holdings Inc. and (since 2011) Nuveen Asset Management, LLC; Vice President and Treasurer of NWQ Investment Management Company, LLC, Tradewinds Global Investors, LLC, Symphony Asset Management LLC and Winslow Capital Management, Inc.; Vice President of Santa Barbara Asset Management, LLC; formerly, Treasurer (2006-2009), Senior Vice President (2008-2009), previously, Vice President (2006-2008) of Janus Capital Group, Inc.; formerly, Senior Associate in Morgan Stanley's Global Financial Services Group (2000-2003); Chartered Accountant Designation. | 235   |
| WALTER M.<br>KELLY<br>2/24/70<br>333 W. Wacker<br>Drive<br>Chicago, IL<br>60606 | Chief<br>Compliance<br>Officer and<br>Vice<br>President | 2003                                     | Senior Vice President (since 2008) and Assistant Secretary (since 2003) of Nuveen Fund Advisors, Inc.   | 235   |
| TINA M.<br>LAZAR<br>8/27/61   | Vice<br>President                                       | 2002                                     | Senior Vice President (since 2010), formerly, Vice President (2005-2010) of Nuveen Fund Advisors, Inc.  | 235   |

333 W. Wacker  
 Drive  
 Chicago, IL  
 60606

KEVIN J.  
 MCCARTHY Vice  
 3/26/66 President 2007  
 333 W. Wacker and Secretary  
 Drive  
 Chicago, IL  
 60606

Managing Director (since 2008),  
 formerly, Vice President (2007-2008),  
 Nuveen Securities, LLC; Managing 235  
 Director (since 2008), Assistant  
 Secretary (since 2007) and Co-General  
 Counsel (since 2011) of Nuveen Fund  
 Advisors, Inc.; Managing Director,  
 Assistant Secretary and Associate  
 General Counsel (since 2011) of  
 Nuveen Asset Management, LLC;  
 Managing Director (since 2008), and  
 Assistant Secretary, Nuveen  
 Investment Holdings, Inc.; Vice  
 President (since 2007) and Assistant  
 Secretary of Nuveen Investments  
 Advisers Inc., NWQ Investment  
 Management Company, LLC, NWQ  
 Holdings, LLC, Symphony Asset  
 Management LLC, Santa Barbara  
 Asset Management, LLC, and of  
 Winslow Capital Management, Inc.  
 (since 2010); Vice President and  
 Secretary (since 2010) of Nuveen  
 Commodities Asset Management,  
 LLC; prior thereto, Partner, Bell, Boyd  
 & Lloyd LLP (1997-2007).

Nuveen Investments

105

## Board Members &amp; Officers (Unaudited) (continued)

| Name,<br>Birthdate<br>and Address | Position(s)<br>Held<br>with the<br>Funds | Year First<br>Elected or<br>Appointed(3) | Principal<br>Occupation(s)<br>During Past 5 Years | Number<br>of Portfolios<br>in Fund<br>Complex<br>Overseen by<br>Officer |
|-----------------------------------|--|--|---|---|
|-----------------------------------|--|--|---|---|

## Officers of the Funds:

|  |   |      |  |     |
|--|---|------|--|-----|
| KATHLEEN L.<br>PRUDHOMME<br>3/30/53<br>901 Marquette<br>Avenue<br>Minneapolis,<br>MN 55402 | Vice<br>President<br>and Assistant<br>Secretary | 2011 | Managing Director, Assistant<br>Secretary and Co-General Counsel<br>(since 2011) of Nuveen Fund Advisors,<br>Inc.; Managing Director, Assistant<br>Secretary and Associate General<br>Counsel (since 2011) of Nuveen Asset<br>Management, LLC; Managing<br>Director and Assistant Secretary (since<br>2011) of Nuveen Securities, LLC;<br>formerly, Deputy General Counsel,<br>FAF Advisors, Inc. (2004-2010). | 235 |
|--|---|------|--|-----|

- (1) For Michigan Dividend Advantage (NZW), Ohio Dividend Advantage (NXI), Ohio Dividend Advantage 2 (NBJ) and Ohio Dividend Advantage 3 (NVJ), the Board of Trustees is divided into three classes, Class I, Class II, and Class III, with each being elected to serve until the third succeeding annual shareholders' meeting subsequent to its election or thereafter in each case when its respective successors are duly elected or appointed, except two board members are elected by the holders of Preferred Shares to serve until the next annual shareholders' meeting subsequent to its election or thereafter in each case when its respective successors are duly elected or appointed. For Michigan Quality Income (NUM), Michigan Premium Income (NMP) and Ohio Quality Income (NUO), the Board Members serve a one year term to serve until the next annual meeting or until their successors shall have been duly elected and qualified. The year first elected or appointed represents the year in which the board member was first elected or appointed to any fund in the Nuveen Complex.
- (2) Mr. Amboian is an interested trustee because of his position with Nuveen Investments, Inc. and certain of its subsidiaries, which are affiliates of the Nuveen Funds.
- (3) Officers serve one year terms through August of each year. The year first elected or appointed represents the year in which the Officer was first elected or appointed to any fund in the Nuveen Complex.



Reinvest Automatically,  
Easily and Conveniently

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

Nuveen Closed-End Funds Automatic Reinvestment Plan

Your 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

Reinvest Automatically,  
Easily and Conveniently (continued)

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.

108 Nuveen Investments

---

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.

**Average Effective Maturity:** The market-value-weighted average of the effective maturity dates of the individual securities including cash. In the case of a bond that has been advance-refunded to a call date, the effective maturity is the date on which the bond is scheduled to be redeemed using the proceeds of an escrow account. In most other cases the effective maturity is the stated maturity date of the security.

**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 the 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.

**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.

Glossary of Terms  
Used in this Report (continued)

**Leverage:** Using borrowed money to invest in securities or other assets, seeking to increase the return of an investment or portfolio.

**Leverage-Adjusted 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. Leverage-adjusted duration takes into account the leveraging process for a Fund and therefore is longer than the duration of the Fund's portfolio of bonds.

**Lipper Michigan Municipal Debt Funds Classification Average:** Calculated using the returns of all closed-end funds in this category for each period as follows: 1-year, 7 funds; 5-year, 7 funds; and 10-year, 4 funds. Lipper returns account for the effects of management fees and assume reinvestment of distributions, but do not reflect any applicable sales charges. The Lipper average is not available for direct investment.

**Lipper Other States Municipal Debt Funds Classification Average:** Calculated using the returns of all closed-end funds in this category for each period as follows: 1-year, 46 funds; 5-year, 46 funds; and 10-year, 27 funds. Lipper returns account for the effects of management fees and assume reinvestment of distributions, but do not reflect any applicable sales charges. The Lipper average is not available for direct investment.

**Market Yield (also known as Dividend Yield or Current Yield):** An investment's current annualized dividend divided by its current market price.

**Net Asset Value (NAV):** The net market value of all securities held in a portfolio.

**Net Asset Value (NAV) Per Share:** The market value of one share of a mutual fund or closed-end fund. For a Fund, the NAV is calculated daily by taking the Fund's total assets (securities, cash, and accrued earnings), subtracting the Fund's liabilities, and dividing by the number of shares outstanding.

**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 sometimes referred to as "40 Act Leverage" and is subject to asset coverage limits set in the Investment Company Act of 1940.

**Standard & Poor's (S&P) Municipal Bond Indexes for Michigan and Ohio:** Unleveraged, market value-weighted indexes designed to measure the performance of the tax-exempt, investment-grade Michigan and Ohio municipal bond markets, respectively. Index returns assume reinvestment of

distributions, but do not reflect any applicable sales charges or management fees. It is not possible to invest directly in an index.

110 Nuveen Investments

---

Standard & Poor's (S&P) National Municipal Bond Index: An unleveraged, market value-weighted index designed to measure the performance of the tax-exempt, investment-grade U.S. municipal bond market. Index returns assume reinvestment of distributions, but do not reflect any applicable sales charges or management fees. It is not possible to invest directly in an index.

Taxable-Equivalent Yield: The yield necessary from a fully taxable investment to equal, on an after-tax basis, the yield of a municipal bond investment.

Zero Coupon Bond: A zero coupon bond does not pay a regular interest coupon to its holders during the life of the bond. Tax-exempt 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.

Notes

112 Nuveen Investments

---

Notes

Nuveen Investments

113

---



Notes

114 Nuveen Investments

---

Additional Fund Information

Board of  
Directors/Trustees  
John P. Amboian  
Robert P. Bremner  
Jack B. Evans  
William C. Hunter  
David J. Kundert  
William J. Schneider  
Judith M. Stockdale  
Carole E. Stone  
Virginia L. Stringer  
Terence J. Toth

Fund Manager  
Nuveen Fund Advisors, Inc.  
333 West Wacker Drive  
Chicago, IL 60606

Custodian  
State Street Bank  
& Trust Company  
Boston, MA

Transfer Agent and  
Shareholder Services  
State Street Bank &  
Trust Company  
Nuveen Funds  
P.O. Box 43071  
Providence, RI 02940-3071  
(800) 257-8787

Legal Counsel  
Chapman and Cutler LLP  
Chicago, IL

Independent Registered  
Public Accounting Firm  
Ernst & Young LLP  
Chicago, IL

Quarterly Portfolio of Investments and Proxy Voting Information

You may obtain (i) each Fund's quarterly portfolio of investments, (ii) information regarding how each Fund voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, and (iii) 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 or on Nuveen's

website at [www.nuveen.com](http://www.nuveen.com).

You may also obtain this and other Fund information directly from the Securities and Exchange Commission (SEC). The SEC may charge a copying fee for this information. 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 at (202) 942-8090 for room hours and operation. You may also request Fund information by sending an e-mail request to [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by writing to the SEC's Public References Section at 100 F Street NE, Washington, D.C. 20549.

#### 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 Chief Executive Officer and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

#### Common and Preferred Share Information

Each Fund intends to repurchase and/or redeem shares of its own common and/or auction rate preferred stock in the future at such times and in such amounts as is deemed advisable. During the period covered by this report, the Funds repurchased and/or redeemed shares of their common and/or auction rate preferred stock as shown in the accompanying table.

| Fund | Common Shares<br>Repurchased | Preferred Shares<br>Redeemed |
|------|------------------------------|------------------------------|
| NUM  | 3,400                        | 3,493                        |
| NMP  | —                            | 2,148                        |
| NZW  | —                            | —                            |
| NUO  | —                            | 2,920                        |
| NXI  | —                            | 500                          |
| NBJ  | —                            | 864                          |
| NVJ  | —                            | 620                          |

Any future repurchases will be reported to shareholders in the next annual or semiannual report.

Nuveen Investments

115

Nuveen Investments:  
Serving Investors for Generations

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.

Focused on meeting investor needs.

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 \$220 billion as of December 31, 2011.

Find out how we can help you.

To learn more about how the products and services of Nuveen Investments may be able to help you meet your financial goals, talk to your financial advisor, or call us at (800) 257-8787. Please read the information provided carefully before you invest. Investors should consider the investment objective and policies, risk considerations, charges and expenses of any investment carefully. Where applicable, be sure to obtain a prospectus, which contains this and other relevant information. To obtain a prospectus, please contact your securities representative or Nuveen Investments, 333 W. Wacker Dr., Chicago, IL 60606. Please read the prospectus carefully before you invest or send money. Learn more about Nuveen Funds at: [www.nuveen.com/cef](http://www.nuveen.com/cef)

Distributed by  
Nuveen Securities, LLC  
333 West Wacker Drive  
Chicago, IL 60606  
[www.nuveen.com](http://www.nuveen.com)

EAN-C-0212D

## ITEM 2. CODE OF ETHICS.

As of the end of the period covered by this report, the registrant has adopted a code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. There were no amendments to or waivers from the Code during the period covered by this report. The registrant has posted the code of ethics on its website at [www.nuveen.com/CEF/Shareholder](http://www.nuveen.com/CEF/Shareholder). (To view the code, click on Fund Governance and then click on Code of Conduct.)

## ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

The registrant's Board of Directors or Trustees ("Board") determined that the registrant has at least one "audit committee financial expert" (as defined in Item 3 of Form N-CSR) serving on its Audit Committee. The registrant's audit committee financial expert is Carole E. Stone, who is "independent" for purposes of Item 3 of Form N-CSR.

Ms. Stone served for five years as Director of the New York State Division of the Budget. As part of her role as Director, Ms. Stone was actively involved in overseeing the development of the State's operating, local assistance and capital budgets, its financial plan and related documents; overseeing the development of the State's bond-related disclosure documents and certifying that they fairly presented the State's financial position; reviewing audits of various State and local agencies and programs; and coordinating the State's system of internal audit and control. Prior to serving as Director, Ms. Stone worked as a budget analyst/examiner with increasing levels of responsibility over a 30 year period, including approximately five years as Deputy Budget Director. Ms. Stone has also served as Chair of the New York State Racing Association Oversight Board, as Chair of the Public Authorities Control Board, as a Commissioner on the New York State Commission on Public Authority Reform and as a member of the Boards of Directors of several New York State public authorities. These positions have involved overseeing operations and finances of certain entities and assessing the adequacy of project/entity financing and financial reporting. Currently, Ms. Stone is on the Board of Directors of CBOE Holdings, Inc., of the Chicago Board Options Exchange, and of C2 Options Exchange. Ms. Stone's position on the boards of these entities and as a member of both CBOE Holdings' Audit Committee and its Finance Committee has involved, among other things, the oversight of audits, audit plans and preparation of financial statements.

## ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

### Nuveen Michigan Quality Income Municipal Fund, Inc.

The following tables show the amount of fees that Ernst & Young LLP, the Fund's auditor, billed to the Fund during the Fund's last two full fiscal years. For engagements with Ernst & Young LLP the Audit Committee approved in advance all audit services and non-audit services that Ernst & Young LLP provided to the Fund, except for those non-audit services that were subject to the pre-approval exception under Rule 2-01 of Regulation S-X (the "pre-approval exception"). The pre-approval exception for services provided directly to the Fund waives the pre-approval requirement for services other than audit, review or attest services if: (A) the aggregate amount of all such services provided constitutes no more than 5% of the total amount of revenues paid by the Fund to its accountant during the fiscal year in which the services are provided; (B) the Fund did not recognize the services as non-audit services at the time of the engagement; and (C) the services are promptly brought to the Audit Committee's attention, and the Committee (or its delegate) approves the services before the audit is completed.

The Audit Committee has delegated certain pre-approval responsibilities to its Chairman (or, in his absence, any other member of the Audit Committee).

### SERVICES THAT THE FUND'S AUDITOR BILLED TO THE FUND

| Fiscal Year Ended                                      | Audit Fees Billed |   | Audit-Related Fees Billed to |   | Tax Fees Billed to |   | All Other Fees Billed to |   |
|--|-------------------|---|------------------------------|---|--------------------|---|--------------------------|---|
|  | to Fund 1         |   | Fund 2                       |   | Fund 3             |   | Fund 4                   |   |
| February 29, 2012                                      | \$21,200          |   | \$ 7,750                     |   | \$0                |   | \$1,700                  |   |
| Percentage approved pursuant to pre-approval exception | 0                 | % | 0                            | % | 0                  | % | 0                        | % |
| February 28, 2011                                      | \$18,200          |   | \$ 0                         |   | \$0                |   | \$3,400                  |   |
| Percentage approved pursuant to pre-approval exception | 0                 | % | 0                            | % | 0                  | % | 0                        | % |

1 "Audit Fees" are the aggregate fees billed for professional services for the audit of the Fund's annual financial statements and services provided in connection with statutory and regulatory filings or engagements.

2 "Audit Related Fees" are the aggregate fees billed for assurance and related services reasonably related to the performance of the audit or review of financial statements and are not reported under "Audit Fees".

3 "Tax Fees" are the aggregate fees billed for professional services for tax advice, tax compliance, and tax planning.

4 "All Other Fees" are the aggregate fees billed for products and services for agreed upon procedures engagements performed for leveraged funds.

#### SERVICES THAT THE FUND'S AUDITOR BILLED TO THE ADVISER AND AFFILIATED FUND SERVICE PROVIDERS

The following tables show the amount of fees billed by Ernst & Young LLP to Nuveen Fund Advisors, Inc. (formerly Nuveen Asset Management) (the "Adviser" or "NFA"), and any entity controlling, controlled by or under common control with the Adviser that provides ongoing services to the Fund ("Affiliated Fund Service Provider"), for engagements directly related to the Fund's operations and financial reporting, during the Fund's last two full fiscal years.

The tables also show the percentage of fees subject to the pre-approval exception. The pre-approval exception for services provided to the Adviser and any Affiliated Fund Service Provider (other than audit, review or attest services) waives the pre-approval requirement if: (A) the aggregate amount of all such services provided constitutes no more than 5% of the total amount of revenues paid to Ernst & Young LLP by the Fund, the Adviser and Affiliated Fund Service Providers during the fiscal year in which the services are provided that would have to be pre-approved by the Audit Committee; (B) the Fund did not recognize the services as non-audit services at the time of the engagement; and (C) the services are promptly brought to the Audit Committee's attention, and the Committee (or its delegate) approves the services before the Fund's audit is completed.

| Fiscal Year Ended                                      | Audit-Related Fees Billed to Adviser and Affiliated Fund Service Providers | Tax Fees Billed to Adviser and Affiliated Fund Service Providers | All Other Fees Billed to Adviser and Affiliated Fund Service Providers |    |
|--|--|--|--|----|
| February 29, 2012                                      | \$   | 0 \$   | 0 \$   | 0  |
| Percentage approved pursuant to pre-approval exception |  | 0%   | 0%   | 0% |
| February 28, 2011                                      | \$   | 0 \$   | 0 \$   | 0  |
| Percentage approved pursuant to pre-approval exception |  | 0%   | 0%   | 0% |

#### NON-AUDIT SERVICES

The following table shows the amount of fees that Ernst & Young LLP billed during the Fund's last two full fiscal years for non-audit services. The Audit Committee is required to pre-approve non-audit services that Ernst & Young LLP provides to the Adviser and any Affiliated Fund Services Provider, if the engagement related directly to the Fund's operations and financial reporting (except for those subject to the pre-approval exception described above). The Audit Committee requested and received information from Ernst & Young LLP about any non-audit services that Ernst & Young LLP rendered during the Fund's last fiscal year to the Adviser and any Affiliated Fund Service Provider. The Committee considered this information in evaluating Ernst & Young LLP's independence.

| Fiscal Year Ended | Total Non-Audit Fees Billed to Fund | Total Non-Audit Fees billed to Adviser and Affiliated Fund Service Providers (engagements related directly to the operations and financial reporting of the Fund) | Total Non-Audit Fees billed to Adviser and Affiliated Fund Service Providers (all other engagements) | Total    |  |
|-------------------|-------------------------------------|---|--|----------|--|
| February 29, 2012 | \$ 1,700                            | \$ 0  | \$ 0   | \$ 1,700 |  |
| February 28, 2011 | \$ 3,400                            | \$ 0  | \$ 0   | \$ 3,400 |  |

"Non-Audit Fees billed to Fund" for both fiscal year ends represent "Tax Fees" and "All Other Fees" billed to Fund in their respective amounts from the previous table.

**Audit Committee Pre-Approval Policies and Procedures.** Generally, the Audit Committee must approve (i) all non-audit services to be performed for the Fund by the Fund's independent accountants and (ii) all audit and non-audit services to be performed by the Fund's independent accountants for the Affiliated Fund Service Providers with respect to operations and financial reporting of the Fund. Regarding tax and research projects conducted by the independent accountants for the Fund and Affiliated Fund Service Providers (with respect to operations and financial reports of the Fund) such engagements will be (i) pre-approved by the Audit Committee if they are expected to be for amounts greater than \$10,000; (ii) reported to the Audit Committee chairman for his verbal approval prior to engagement if they are expected to be for amounts under \$10,000 but greater than \$5,000; and (iii) reported to the Audit Committee

at the next Audit Committee meeting if they are expected to be for an amount under \$5,000.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

The registrant's Board has a separately designated Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78c(a)(58)(A)). The members of the audit committee are Robert P. Bremner, Terence J. Toth, William J. Schneider, Carole E. Stone and David J. Kundert.

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.

Nuveen Fund Advisors, Inc. (“Adviser”) is the registrant’s investment adviser. The Adviser is responsible for the on-going monitoring of the Fund’s investment portfolio, managing the Fund’s business affairs and providing certain clerical, bookkeeping and administrative services. The Adviser has engaged Nuveen Asset Management, LLC (“Sub-Adviser”) as Sub-Adviser to provide discretionary investment advisory services. As part of these services, the Adviser has delegated to the Sub-Adviser the full responsibility for proxy voting on securities held in the registrant’s portfolio and related duties in accordance with the Sub-Adviser's policy and procedures. The Adviser periodically monitors the Sub-Adviser's voting to ensure that it is carrying out its duties. The Sub-Adviser’s proxy voting policies and procedures are attached to this filing as an exhibit and incorporated herein by reference.

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

Nuveen Fund Advisors, Inc. is the registrant’s investment adviser (also referred to as the “Adviser”). The Adviser is responsible for the selection and on-going monitoring of the Fund’s investment portfolio, managing the Fund’s business affairs and providing certain clerical, bookkeeping and administrative services. The Adviser has engaged Nuveen Asset Management, LLC (“NAM” or “Sub-Adviser”) as Sub-Adviser to provide discretionary investment advisory services. The following section provides information on the portfolio manager at the Sub-Adviser:

The Portfolio Manager

The following individual has primary responsibility for the day-to-day implementation of the registrant’s investment strategies:

| Name            | Fund  |
|-----------------|---|
| Daniel J. Close | Nuveen Michigan Quality Income Municipal Fund, Inc. |

Other Accounts Managed. In addition to managing the registrant, the portfolio manager is also primarily responsible for the day-to-day portfolio management of the following accounts:

| Portfolio Manager | Type of Account Managed          | Number of Accounts | Assets*         |
|-------------------|----------------------------------|--------------------|-----------------|
| Daniel J. Close   | Registered Investment Company    | 26                 | \$ 4.52 billion |
|                   | Other Pooled Investment Vehicles | 0                  | \$0             |



|                |    |                 |
|----------------|----|-----------------|
| Other Accounts | 10 | \$71.95 million |
|----------------|----|-----------------|

\* Assets are as of February 29, 2012. None of the assets in these accounts are subject to an advisory fee based on performance.

## POTENTIAL MATERIAL CONFLICTS OF INTEREST

Actual or apparent conflicts of interest may arise when a portfolio manager has day-to-day management responsibilities with respect to more than one account. More specifically, portfolio managers who manage multiple accounts are presented a number of potential conflicts, including, among others, those discussed below.

The management of multiple accounts may result in a portfolio manager devoting unequal time and attention to the management of each account. NAM seeks to manage such competing interests for the time and attention of portfolio managers by having portfolio managers focus on a particular investment discipline. Most accounts managed by a portfolio manager in a particular investment strategy are managed using the same investment models.

If a portfolio manager identifies a limited investment opportunity which may be suitable for more than one account, an account may not be able to take full advantage of that opportunity due to an allocation of filled purchase or sale orders across all eligible accounts. To deal with these situations, NAM has adopted procedures for allocating limited opportunities across multiple accounts.

With respect to many of its clients' accounts, NAM determines which broker to use to execute transaction orders, consistent with its duty to seek best execution of the transaction. However, with respect to certain other accounts, NAM may be limited by the client with respect to the selection of brokers or may be instructed to direct trades through a particular broker. In these cases, NAM may place separate, non-simultaneous, transactions for a Fund and other accounts which may temporarily affect the market price of the security or the execution of the transaction, or both, to the detriment of the Fund or the other accounts.

Some clients are subject to different regulations. As a consequence of this difference in regulatory requirements, some clients may not be permitted to engage in all the investment techniques or transactions or to engage in these transactions to the same extent as the other accounts managed by the portfolio manager. Finally, the appearance of a conflict of interest may arise where NAM has an incentive, such as a performance-based management fee, which relates to the management of some accounts, with respect to which a portfolio manager has day-to-day management responsibilities.

NAM has adopted certain compliance procedures which are designed to address these types of conflicts common among investment managers. However, there is no guarantee that such procedures will detect each and every situation in which a conflict arises.

Item 8(a)(3).

### FUND MANAGER COMPENSATION

Portfolio manager compensation consists primarily of base pay, an annual cash bonus and long term incentive payments.

**Base pay.** Base pay is determined based upon an analysis of the portfolio manager's general performance, experience, and market levels of base pay for such position.

**Annual cash bonus.** The Fund's portfolio managers are eligible for an annual cash bonus based on investment performance, qualitative evaluation and financial performance of NAM.

A portion of each portfolio manager's annual cash bonus is based on the Fund's investment performance, generally measured over the past one- and three or five-year periods unless the portfolio manager's tenure is shorter. Investment

performance for the Fund generally is determined by evaluating the Fund's performance relative to its benchmark(s) and/or Lipper industry peer group.

A portion of the cash bonus is based on a qualitative evaluation made by each portfolio manager's supervisor taking into consideration a number of factors, including the portfolio manager's team collaboration, expense management, support of personnel responsible for asset growth, and his or her compliance with NAM's policies and procedures.

The final factor influencing a portfolio manager's cash bonus is the financial performance of NAM based on its operating earnings.

Long-term incentive compensation. Certain key employees of Nuveen Investments and its affiliates, including certain portfolio managers, have received equity interests in the parent company of Nuveen Investments. In addition, certain key employees of NAM, including certain portfolio managers, have received profits interests in NAM which entitle their holders to participate in the firm's growth over time.

There are generally no differences between the methods used to determine compensation with respect to the Fund and the Other Accounts shown in the table above.

Beneficial Ownership of Securities. As of February 29, 2012 the portfolio manager beneficially owned the following dollar range of equity securities issued by the Registrant and other Nuveen Funds managed by NAM's municipal investment team.

| Name of Portfolio Manager | Fund  | Dollar range of equity securities beneficially owned in Fund | Dollar range of equity securities beneficially owned in the remainder of Nuveen funds managed by NAM's municipal investment team |
|---------------------------|---|--|--|
| Daniel J. Close           | Nuveen Michigan Quality Income Municipal Fund, Inc. | \$0  | \$0  |

**PORTFOLIO MANAGER BIO:**

Daniel J. Close, CFA, is a Senior Vice President of Nuveen Investments. He joined Nuveen Investments in 2000 as a member of Nuveen's product management and development team. He then served as a research analyst for Nuveen's municipal investing team, covering corporate-backed, energy, transportation and utility credits. He received his BS in Business from Miami University and his MBA from Northwestern University's Kellogg School of Management. Mr. Close has earned the Chartered Financial Analyst designation. Mr. Close also serves as a portfolio manager for various Nuveen Build America Bond strategies.

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

| Period* | (a)<br>TOTAL NUMBER OF AVERAGE<br>SHARES (OR<br>UNITS) | (b)<br>PRICE<br>PAID PER | (c)<br>TOTAL NUMBER OF<br>SHARES<br>(OR UNITS)<br>PURCHASED AS<br>PART OF PUBLICLY | (d)*<br>MAXIMUM<br>NUMBER (OR<br>APPROXIMATE<br>DOLLAR VALUE)<br>OF |
|---------|--|--------------------------|--|---|
|---------|--|--------------------------|--|---|

|                         | PURCHASED | SHARE (OR<br>UNIT) | ANNOUNCED<br>PLANS OR<br>PROGRAMS | SHARES (OR UNITS)<br>THAT MAY YET<br>BE PURCHASED<br>UNDER THE PLANS<br>OR PROGRAMS |
|-------------------------|-----------|--------------------|-----------------------------------|---|
| MARCH 1-31, 2011        | 0         | 0                  | 0                                 | 1,151,600   |
| APRIL 1-30, 2011        | 0         | 0                  | 0                                 | 1,151,600   |
| MAY 1-31, 2011          | 0         | 0                  | 0                                 | 1,151,600   |
| JUNE 1-30, 2011         | 0         | 0                  | 0                                 | 1,151,600   |
| JULY 1-31, 2011         | 0         | 0                  | 0                                 | 1,151,600   |
| AUGUST 1-31, 2011       | 3,400     | \$13.00            | 3,400                             | 1,148,200   |
| SEPTEMBER 1-30,<br>2011 | 0         | 0                  | 0                                 | 1,148,200   |
| OCTOBER 1-31, 2011      | 0         | 0                  | 0                                 | 1,148,200   |
| NOVEMBER 1-30,<br>2011  | 0         | 0                  | 0                                 | 1,150,000   |
| DECEMBER 1-31,<br>2011  | 0         | 0                  | 0                                 | 1,150,000   |
| JANUARY 1-31, 2012      | 0         | 0                  | 0                                 | 1,150,000   |
| FEBRUARY 1-29,<br>2012  | 0         | 0                  | 0                                 | 1,150,000   |
| TOTAL                   | 3,400     |                    |                                   |   |

\* The registrant's repurchase program, which authorized the repurchase of 1,155,000 shares, was announced November 16, 2010. On November 16, 2011, the program was reauthorized for a maximum repurchase amount of 1,150,000 shares. Any repurchases made by the registrant pursuant to the program were made through open-market transactions.

#### 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. Letter or number the exhibits in the sequence indicated.

- (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 because the code is posted on registrant's website at [www.nuveen.com/CEF/Shareholder](http://www.nuveen.com/CEF/Shareholder) and there were no amendments during the period covered by this report. (To view the code, click on Fund Governance and then Code of Conduct.)
- (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:  
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.  
Ex-99.906 CERT attached hereto.
-

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 Michigan Quality Income Municipal Fund, Inc.

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

Kevin J. McCarthy

Vice President and Secretary

Date: May 7, 2012

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: May 7, 2012

By (Signature and Title) /s/ Stephen D. Foy

Stephen D. Foy

Vice President and Controller

(principal financial officer)

Date: May 7, 2012