

NUVEEN QUALITY PREFERRED INCOME FUND 2
Form N-14 8C
November 03, 2015

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File No. 333-_____

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

FORM N-14
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Pre-Effective Amendment No. _____

Post-Effective Amendment No. _____

NUVEEN QUALITY PREFERRED INCOME FUND 2

(Exact Name of Registrant as Specified in Charter)

333 West Wacker Drive

Chicago, Illinois 60606

(Address of Principal Executive Offices: Number, Street, City, State, Zip Code)

(800) 257-8787

(Area Code and Telephone Number)

Kevin J. McCarthy

Vice President and Secretary

Nuveen Investments

333 West Wacker Drive

Chicago, Illinois 60606

(Name and Address of Agent for Service)

Copies to:

Deborah Bielicke Eades

Vedder Price P.C.

222 North LaSalle Street

Chicago, Illinois 60601

Eric F. Fess

Chapman and Cutler LLP

111 West Monroe Street

Chicago, Illinois 60603

Approximate Date of Proposed Public Offering: As soon as practicable after the effective date of this Registration Statement.

CALCULATION OF REGISTRATION FEE UNDER THE SECURITIES ACT OF 1933

Title of Securities Being Registered	Amount Being Registered	Proposed Maximum Offering Price Per Unit⁽¹⁾	Proposed Maximum Aggregate Offering Price⁽¹⁾	Amount of Registration Fee
	50,000 Shares	\$9.67 ⁽²⁾	\$483,500	\$48.69

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Common Shares of Beneficial Interest, \$0.01 Par
Value Per Share

- (1) Estimated solely for the purpose of calculating the registration fee.
- (2) Net asset value per common share on October 28, 2015.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

IMPORTANT NOTICE TO SHAREHOLDERS OF
NUVEEN QUALITY PREFERRED INCOME FUND 2 (JPS)
NUVEEN QUALITY PREFERRED INCOME FUND (JTP)
AND
NUVEEN QUALITY PREFERRED INCOME FUND 3 (JHP)
(EACH, A FUND AND COLLECTIVELY, THE FUNDS)

[], 2015

Although we recommend that you read the complete Joint Proxy Statement/Prospectus, for your convenience, we have provided a brief overview of the issues to be voted on.

Q. Why am I receiving the enclosed Joint Proxy Statement/Prospectus?

A. You are receiving the Joint Proxy Statement/Prospectus as a holder of common shares of a Fund in connection with the annual shareholder meetings of the Funds. The following proposals will be considered:

(All Funds) the election of members of each Fund's Board of Trustees (each, a Board or the Board) (the list of specific nominees is contained in the enclosed Joint Proxy Statement/Prospectus);

(JTP and JHP) the reorganization of each of: (i) Nuveen Quality Preferred Income Fund (Quality Preferred); and (ii) Nuveen Quality Preferred Income Fund 3 (Quality Preferred 3 and together with Quality Preferred, the Target Funds or each individually, a Target Fund) into Nuveen Quality Preferred Income Fund 2 (the Acquiring Fund) (each, a Reorganization and together, the Reorganizations); and

(JPS) the issuance of additional common shares by the Acquiring Fund in connection with the Reorganizations.

Your Fund's Board, including the independent Board members, unanimously recommends that you vote FOR each proposal applicable to your Fund.

The Board of each Target Fund and the Acquiring Fund has approved the Reorganizations. Nuveen Fund Advisors, LLC (Nuveen Fund Advisors or the Investment Adviser), the Funds investment adviser, recommended the proposed Reorganizations as part of a broad initiative to restructure the product offerings of Nuveen's closed-end funds by creating fewer funds with greater scale and to better differentiate products by eliminating overlapping investment mandates of the funds. The proposed Reorganizations and investment mandate changes for the Acquiring Fund were recommended by Nuveen Fund Advisors in an effort to seek to enhance the combined fund's yield, increase investor appeal and, in turn, improve secondary market trading prices of the common shares relative to net asset value. Nuveen Fund Advisors recommended, and the Board of the Acquiring Fund has approved the following: (1) certain changes to the non-fundamental investment policies of the Fund, which provide an expanded investment mandate with greater flexibility to invest in lower rated securities and

U.S. dollar denominated securities of foreign issuers; and (2) a change in the Acquiring Fund's name to Nuveen Preferred Securities Income Fund. These changes, which do not require shareholder approval, will be implemented upon the closing of the Reorganizations. Spectrum Asset Management, Inc. (Spectrum or the Sub-Adviser) currently serves as the sub-adviser to each Fund and will continue to manage the investment of the Acquiring Fund's portfolio as investment sub-adviser following the closing of the Reorganizations. See "How will the Acquiring Fund's expanded investment mandate differ from the Funds' current investment mandates?" below.

Q. How will the Acquiring Fund's expanded investment mandate differ from the Funds' current investment mandates?

- A.** Each Fund has adopted a non-fundamental investment policy requiring it to invest at least 80% of its managed assets in preferred securities, which may be changed by the Board without shareholder approval provided that shareholders receive 60 days' prior written notice. This policy is not being changed. As of the date of this Joint Proxy Statement/Prospectus, each Fund has a non-fundamental policy requiring it to invest at least 65% of its managed assets in securities that, at the time of investment, are rated investment grade (BBB/Baa or better). Investment grade securities may include unrated securities judged to be of comparable quality by the Fund's Investment Adviser or Sub-Adviser. Each Fund also may invest up to 45% of its managed assets in U.S. dollar denominated securities of non-U.S. issuers offered, traded or listed in U.S. markets.

Under the new investment mandate, the Acquiring Fund has changed its non-fundamental investment policies to: (i) decrease its minimum allocation to securities rated, at the time of investment, investment grade (BBB/Baa and above) to 50% of managed assets and (ii) eliminate the existing 45% limit on dollar denominated securities of foreign issuers. These changes are intended to provide the combined fund with the flexibility to take advantage of the evolution in the preferred securities markets since each Fund's inception in 2002. The new investment mandate will take effect upon the closing of the Reorganizations and will replace the corresponding non-fundamental policies currently in effect. See page [] of the Joint Prospectus/Proxy Statement.

The Acquiring Fund's allocation to lower rated securities and U.S. dollar denominated securities of foreign issuers may vary over time, consistent with its investment objectives and policies. However, it is expected that a greater percentage of the Acquiring Fund's portfolio would be allocated to lower rated securities and U.S. dollar denominated securities of foreign issuers relative to the Funds' historical allocations to such securities. The Acquiring Fund's greater allocation to lower rated securities and U.S. dollar denominated securities of foreign issuers is intended to result in potentially higher net earnings that may support higher common share distributions. However, investments in lower rated securities and U.S. dollar denominated securities of foreign issuers are subject to increased credit risk and foreign securities risk, respectively. See "Proposal No. 2 B. Risk Factors" on page [] of the Joint Proxy Statement/Prospectus for a discussion of the risks associated with lower rated securities and page [] with respect to foreign securities risk. In addition to the foregoing, in order to bring its leverage ratio more in line with peers, the combined fund is expected to increase its leverage relative to historical levels of each Fund. See page [] for a discussion of leverage risk.

Proposals Regarding the Reorganizations

Q. Why has each Fund's Board recommended the Reorganization proposal(s)?

A. As noted above, the Boards of the Funds have approved the Reorganizations as part of a broad initiative to restructure Nuveen's closed-end funds to eliminate funds with overlapping investment mandates and to better differentiate Nuveen's product offerings. The proposed Reorganization of each Target Fund into the Acquiring Fund, together with the investment policy changes with respect to the Acquiring Fund described above, are intended to create a combined fund with significantly greater scale and an expanded investment mandate, in an effort to enhance the combined fund's yield, increase investor appeal and, in turn, enhance secondary market trading prices of the common shares relative to net asset value.

Q. What are the anticipated benefits of the proposed Reorganizations and the adoption of an expanded investment mandate?

A. Based on information provided by Nuveen Fund Advisors, each Fund's Board believes that the proposed Reorganizations and the expanded investment mandate of the combined fund may benefit shareholders in a number of ways, including, among other things:

The potential for higher net earnings, as a result of the Acquiring Fund's greater investment flexibility and increased use of leverage, that may support higher common share distributions, and result in a more attractive yield, which may increase investor appeal and, in turn, enhance secondary market trading prices of common shares relative to net asset value;

Increased portfolio and leverage management flexibility due to a significantly larger asset base of the combined fund;

Greater secondary market liquidity and ease of trading due to substantially more common shares outstanding; and

Lower effective management fee rate and operating expenses as a percentage of managed assets due to greater economies of scale resulting from the greater size of the combined fund.

Q. What proposals will shareholders of the Funds be asked to vote on in connection with the proposed Reorganizations?

A. Shareholders of each Target Fund will be asked to vote on an Agreement and Plan of Reorganization. Shareholders of the Acquiring Fund will be asked to vote on the issuance of additional common shares in connection with the Reorganizations.

The investment policies of the Acquiring Fund being changed as part of the expanded investment mandate are non-fundamental and may be changed by the Board without shareholder approval. Accordingly, no shareholder vote is required for the Acquiring Fund to adopt the expanded investment mandate. The investment policy with respect to investing at least 80% of its managed assets in preferred securities may only be changed by the Board following the provision of 60 days' prior written notice to such shareholders. This policy is not being changed.

Q. As a result of the Reorganizations, will shareholders of the Target Funds receive new shares in exchange for their current shares?

A. Yes. Upon the closing of the Reorganizations, Target Fund shareholders will become shareholders of the Acquiring Fund. Holders of common shares of each Target Fund will receive newly issued common shares of the Acquiring Fund, with cash being distributed in lieu of fractional common shares. The aggregate net asset value, as of the close of trading on the business day immediately prior to the closing of the Reorganizations, of the Acquiring Fund common shares received by Target Fund shareholders (including, for this purpose, fractional Acquiring Fund common shares to which shareholders would be entitled) will be equal to the aggregate net asset value of the common shares of such Target Fund held by its shareholders as of such time. Fractional shares will be aggregated and sold on the open market and shareholders will receive cash in lieu of such fractional shares.

Shareholders of the Acquiring Fund will remain shareholders of the Acquiring Fund following the Reorganizations. Following the Reorganizations, common shareholders of the Funds will hold a smaller percentage of the outstanding common shares of the combined fund as compared to their percentage holdings of their respective Fund prior to the Reorganizations, and thus, a reduced percentage of ownership in the larger combined entity than they held in the Acquiring Fund or Target Fund individually.

Q. Do the Reorganizations constitute a taxable event for the Target Funds shareholders?

A. No. Each Reorganization is intended to qualify as a tax-free reorganization for federal income tax purposes. It is expected that Target Fund shareholders will recognize no gain or loss for federal income tax purposes as a direct result of the Reorganizations, except to the extent that a Target Fund shareholder receives cash in lieu of a fractional Acquiring Fund common share. Prior to the closing of the Reorganizations, each Target Fund expects to declare a distribution of all of its net investment income and net capital gains, if any. All or a portion of such distribution may be taxable to a Target Fund's shareholders for federal income tax purposes.

After the closing of the Reorganizations, the Acquiring Fund is expected to reposition the combined portfolio to take advantage of its ability to hold a greater percentage of lower rated preferred securities and U.S. dollar denominated securities of foreign issuers, among other things. To the extent that portfolio investments of the Acquiring Fund are before or sold after the closing of the Reorganizations, the Acquiring Fund may recognize gains or losses, which may result in taxable distributions to shareholders holding shares of the Acquiring Fund (including former Target Fund shareholders who hold shares of the Acquiring Fund following the Reorganizations).

Q. What will happen if the required shareholder approvals in connection with the Reorganizations are not obtained?

A. The closing of each Reorganization is contingent upon the closing of both of the Reorganizations. The closing of each Reorganization is subject to the satisfaction or waiver of certain closing conditions, which include customary closing conditions. In order for the Reorganizations to occur, all requisite shareholder approvals must be obtained at the Annual

Meetings. Because the closing of the Reorganizations is contingent upon each of the Target Funds and the Acquiring Fund obtaining such shareholder approvals and satisfying (or obtaining the waiver of) other closing conditions, it is possible that the Reorganizations will not occur, even if shareholders of your Fund entitled to vote on your Fund's Reorganization proposal(s) approve such proposal(s) and your Fund satisfies all of its closing conditions, if one or more of the other Funds does not obtain its requisite shareholder approvals or satisfy (or obtain the waiver of) its closing conditions. If the Reorganizations are not consummated, each Fund's Board may take such actions as it deems in the best interests of its Fund, including conducting additional solicitations with respect to the proposals or continuing to operate the Fund as a standalone Fund. Because the investment policies of each Fund relevant to the expanded investment mandate recommended by Nuveen Fund Advisors (such as with respect to credit quality and securities of foreign issuers) are non-fundamental, and may be changed by the Board without shareholder approval, the Board may determine to approve investment mandate updates to each Fund individually, irrespective of the Reorganizations, if deemed to be in the best interests of a Fund.

Q. Will shareholders of the Funds have to pay any fees or expenses in connection with the Reorganizations?

- A.** Yes. Fund shareholders will indirectly bear the costs of the Reorganizations, whether or not the Reorganizations are consummated. The total costs of the Reorganizations are estimated to be \$1,810,000 and each Fund's allocable share of such costs will be reflected in its net asset value at or before the close of trading on the business day immediately prior to the closing of the Reorganizations. The estimated allocation of the costs among the Funds is as follows: \$1,030,000 (0.09%) for the Acquiring Fund, \$550,000 (0.09%) for Quality Preferred, and \$230,000 (0.10%) for Quality Preferred 3 (all percentages are based on average net assets applicable to common shares for the twelve (12) months ended July 31, 2015). The allocation of the costs of the Reorganizations will be based on the relative expected benefits of the Reorganizations and the Acquiring Fund's expanded investment mandate, including forecasted increases to net earnings, improvements in the secondary trading market for common shares and operating expense savings, if any, to each Fund following the Reorganizations.

A shareholder's broker, dealer or other financial intermediary (each, a Financial Intermediary) may impose its own shareholder account fees for processing corporate actions, which could apply as a result of the Reorganizations. These shareholder account fees, if applicable, are not paid or otherwise remitted to the Funds or the Funds' investment adviser. The imposition of such fees is based solely on the terms of a shareholder's account agreement with his, her or its Financial Intermediary and/or is in the discretion of the Financial Intermediary. Questions concerning any such shareholder account fees or other similar fees should be directed to a shareholder's Financial Intermediary.

Q. What is the timetable for the Reorganizations and the changes to the Acquiring Fund's investment policies?

- A.** If the requisite shareholder approvals are obtained and the other conditions to closing are satisfied (or waived), the Reorganizations are expected to take effect on or about [], 2016, or as soon as practicable thereafter. The changes to the Acquiring Fund's non-fundamental investment policies necessary to implement the expanded investment mandate will take effect

upon the closing of the Reorganizations. However, the repositioning of the Acquiring Fund's portfolio, to take advantage of its expanded investment mandate, is expected to occur over time and will depend on market conditions.

Q. How does each Fund's Board recommend that shareholders vote on the Reorganizations?

A. After careful consideration, each Fund's Board has determined that the Reorganizations are in the best interests of its Fund and recommends that you vote FOR your Fund's proposal(s).

General

Q. Who do I call if I have questions?

A. If you need any assistance, or have any questions regarding the proposal or how to vote your shares, please call Computershare Fund Services, the proxy solicitor hired by your Fund, at 866-209-5784 weekdays during its business hours of 9:00 a.m. to 11:00 p.m. and Saturdays 12:00 p.m. to 6:00 p.m. Eastern time. Please have your proxy materials available when you call.

Q. How do I vote my shares?

A. You may vote by mail, by telephone or over the Internet:

To vote by mail, please mark, sign, date and mail the enclosed proxy card. No postage is required if mailed in the United States.

To vote by telephone, please call the toll-free number located on your proxy card and follow the recorded instructions, using your proxy card as a guide.

To vote over the Internet, go to the Internet address provided on your proxy card and follow the instructions, using your proxy card as a guide.

Q. Will anyone contact me?

A. You may receive a call from Computershare Fund Services, the proxy solicitor hired by your Fund, to verify that you received your proxy materials, to answer any questions you may have about the proposals and to encourage you to vote your proxy.

We recognize the inconvenience of the proxy solicitation process and would not impose on you if we did not believe that the matters being proposed were important. Once your vote has been registered with the proxy solicitor, your name will be removed from the solicitor's follow-up contact list.

Your vote is very important. We encourage you as a shareholder to participate in your Fund's governance by returning your vote as soon as possible. If enough shareholders fail to cast their votes, your Fund may not be able to hold its meeting or the vote on each issue, and will be required to incur additional solicitation costs in order to obtain sufficient shareholder participation.

[], 2015

NUVEEN QUALITY PREFERRED INCOME FUND 2 (JPS)

NUVEEN QUALITY PREFERRED INCOME FUND (JTP)

AND

NUVEEN QUALITY PREFERRED INCOME FUND 3 (JHP)

(EACH, A FUND AND COLLECTIVELY, THE FUNDS)

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON JANUARY [], 2016

To the Shareholders:

Notice is hereby given that an Annual Meeting of Shareholders (the Annual Meeting) of each Fund will be held in the offices of Nuveen Investments, Inc., 333 West Wacker Drive, Chicago, Illinois 60606, on January [], 2016, at 2:00 p.m., Central time, for the following purposes:

1. Election of Trustees. The common shareholders of each Fund voting to elect three (3) Class I board members. Board members Hunter, Stockdale and Stone are nominees for election.
2. Agreement and Plan of Reorganization. The common shareholders of each of Nuveen Quality Preferred Income Fund and Nuveen Quality Preferred Income Fund 3 (each, a Target Fund) voting as set forth below for an Agreement and Plan of Reorganization pursuant to which each Target Fund would: (i) transfer substantially all of its assets to Nuveen Quality Preferred Income Fund 2 (the Acquiring Fund) in exchange solely for newly issued common shares of the Acquiring Fund, and the Acquiring Fund s assumption of substantially all of the liabilities of the Target Fund; (ii) distribute such newly issued shares of the Acquiring Fund to the common shareholders of the Target Fund (with cash being distributed in lieu of fractional common shares); and (iii) liquidate, dissolve and terminate in accordance with applicable law.

For each Target Fund:

The common shareholders voting to approve the Agreement and Plan of Reorganization.

3. Approval of Issuance of Additional Common Shares by the Acquiring Fund.

For the Acquiring Fund:

The common shareholders voting to approve the issuance of additional common shares in connection with each reorganization pursuant to the Agreement and Plan of Reorganization.

4. To transact such other business as may properly come before the Annual Meeting.

Only shareholders of record of each Fund as of the close of business on October [], 2015 are entitled to notice of and to vote at the Annual Meeting and any adjournments or postponements thereof.

All shareholders are cordially invited to attend the Annual Meeting. In order to avoid delay and additional expense for the Funds and to assure that your shares are represented, please vote as promptly as possible, regardless of whether or not you plan to attend the Annual Meeting. You may vote by mail, by telephone or over the Internet. To vote by mail, please mark, sign, date and mail the enclosed proxy card. No postage is required if mailed in the United States. To vote by telephone, please call the toll-free number located on your proxy card and follow the recorded instructions, using your proxy card as a guide. To vote over the Internet, go to the Internet address provided on your proxy card and follow the instructions, using your proxy card as a guide.

If you intend to attend the Annual Meeting in person and you are a record holder of a Fund's shares, in order to gain admission you must show photographic identification, such as your driver's license. If you intend to attend the Annual Meeting in person and you hold your shares through a bank, broker or other custodian, in order to gain admission you must show photographic identification, such as your driver's license, and satisfactory proof of ownership of shares of a Fund, such as your voting instruction form (or a copy thereof) or broker's statement indicating ownership as of a recent date. If you hold your shares in a brokerage account or through a bank or other nominee, you will not be able to vote in person at the Annual Meeting unless you have previously requested and obtained a legal proxy from your broker, bank or other nominee and present it at the Annual Meeting.

Kevin J. McCarthy

Vice President and Secretary

The Nuveen Funds

The information contained in this Joint Proxy Statement/Prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This Joint Proxy Statement/Prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities, in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION,

DATED [], 2015

NUVEEN FUNDS

333 WEST WACKER DRIVE

CHICAGO, ILLINOIS 60606

(800) 257-8787

JOINT PROXY STATEMENT/PROSPECTUS

NUVEEN QUALITY PREFERRED INCOME FUND 2 (JPS)

NUVEEN QUALITY PREFERRED INCOME FUND (JTP)

AND

NUVEEN QUALITY PREFERRED INCOME FUND 3 (JHP)

(EACH, A FUND AND COLLECTIVELY, THE FUNDS)

[], 2015

This Joint Proxy Statement/Prospectus is being furnished to common shareholders of Nuveen Quality Preferred Income Fund 2 (the Acquiring Fund), Nuveen Quality Preferred Income Fund (Quality Preferred), and Nuveen Quality Preferred Income Fund 3 (Quality Preferred 3 and together with Quality Preferred, the Target Funds or each individually, a Target Fund), each a diversified, closed-end management investment company, in connection with the solicitation of proxies by each Fund s Board of Trustees (each, a Board or the Board and each Trustee, a Board Member), for use at the Annual Meeting of Shareholders of each Fund to be held in the offices of Nuveen Investments, Inc. (Nuveen or Nuveen Investments), 333 West Wacker Drive, Chicago, Illinois 60606, on January [], 2016, at 2:00 p.m., Central time, and at any and all adjournments or postponements thereof (each, a Annual Meeting and collectively, the Annual Meetings), to consider the proposals listed below, as applicable, and discussed in greater detail elsewhere in this Joint Proxy Statement/Prospectus. The Funds are organized as Massachusetts business trusts. The enclosed proxy card and this Joint Proxy Statement/Prospectus are first being sent to shareholders of the Funds on or about [], 2015. Shareholders of record of each Fund as of the close of business on October [], 2015 are entitled to notice of and to vote at the Annual Meeting and any and all adjournments or postponements thereof.

This Joint Proxy Statement/Prospectus explains concisely what you should know before voting on the proposals described in this Joint Proxy Statement/Prospectus or investing in the Acquiring Fund. Please read it carefully and keep it for future reference.

The securities offered by this Joint Proxy Statement/Prospectus have not been approved or disapproved by the Securities and Exchange Commission (SEC), nor has the SEC passed upon the accuracy or adequacy of this Joint Proxy Statement/Prospectus. Any representation to the contrary is a criminal offense.

On the matters coming before each Annual Meeting as to which a choice has been specified by shareholders on the accompanying proxy card, the shares will be voted accordingly where such proxy card is properly executed, timely received and not properly revoked (pursuant to the instructions below). If a proxy is returned and no choice is specified, the shares will be voted **FOR** the proposal(s). Shareholders of a Fund who execute proxies or provide voting instructions by telephone or by Internet

may revoke them at any time before a vote is taken on the proposal by filing with that Fund a written notice of revocation, by delivering a duly executed proxy bearing a later date, or by attending the Annual Meeting and voting in person. A prior proxy can also be revoked by voting again through the toll-free number or the Internet address listed in the proxy card. Merely attending the Annual Meeting, however, will not revoke any previously submitted proxy.

The Board of each Fund has determined that the use of this Joint Proxy Statement/Prospectus for the Annual Meetings is in the best interests of each Fund and its shareholders in light of the similar matters being considered and voted on by shareholders.

Pursuant to this Joint Proxy Statement/Prospectus, common shareholders of the Funds are being solicited to vote on the following proposals:

- Proposal No. 1.** (Each Fund) To elect three (3) Class I Board Members.
- Proposal No. 2.** (Each Target Fund) To approve the Agreement and Plan of Reorganization.
- Proposal No. 3.** (Acquiring Fund only) To approve the issuance of additional common shares in connection with each reorganization pursuant to the Agreement and Plan of Reorganization.

A quorum of shareholders is required to take action at each Annual Meeting. A majority of the shares entitled to vote at each Annual Meeting, represented in person or by proxy, will constitute a quorum of shareholders at that Annual Meeting. Votes cast in person or by proxy at each Annual Meeting will be tabulated by the inspectors of election appointed for that Annual Meeting. The inspectors of election will determine whether or not a quorum is present at the Annual Meeting. The inspectors of election will treat abstentions and broker non-votes (i.e., shares held by brokers or nominees, typically in street name, as to which (1) instructions have not been received from the beneficial owners or persons entitled to vote and (2) the broker or nominee does not have discretionary voting power on a particular matter), if any, as present for purposes of determining a quorum.

Broker-dealer firms holding shares of a Fund in street name for the benefit of their customers and clients will request the instructions of such customers and clients on how to vote their shares before the Annual Meeting. The Funds understand that, under the rules of the New York Stock Exchange (the NYSE), such broker-dealer firms may, for certain routine matters, grant discretionary authority to the proxies designated by each Board to vote without instructions from their customers and clients if no instructions have been received prior to the date specified in the broker-dealer firm's request for voting instructions. Proposal 1 is a routine matter and beneficial owners who do not provide proxy instructions or who do not return a proxy card may have their shares voted by broker-dealer firms in favor of proposal 1.

Broker-dealers who are not members of the NYSE may be subject to other rules, which may or may not permit them to vote your shares without instruction. We urge you to provide instructions to your broker or nominee so that your votes may be counted.

Those persons who were shareholders of record of each Fund as of the close of business on October [], 2015 will be entitled to one vote for each share held and a proportionate fractional vote for each fractional common share held.

As of October [], 2015, the shares of the Funds issued and outstanding are as follows:

Fund (Ticker Symbol)	Common Shares ⁽¹⁾
Acquiring Fund (JPS)	[]
Quality Preferred (JTP)	[]
Quality Preferred 3 (JHP)	[]

(1) The common shares of the Funds are listed on the NYSE. Upon the closing of the Reorganizations, it is expected that the Acquiring Fund will continue the listing of its common shares on the NYSE.

The Board of each Target Fund and the Acquiring Fund has approved the Reorganizations. Nuveen Fund Advisors, LLC (Nuveen Fund Advisors or the Investment Adviser), the Funds investment adviser, recommended the proposed Reorganizations as part of a broad initiative to restructure the product offerings of Nuveen s closed-end funds by creating fewer funds with greater scale and to better differentiate products by eliminating overlapping investment mandates of the funds. The proposed Reorganizations and the investment mandate of the Acquiring Fund were recommended by Nuveen Fund Advisors in an effort to seek to enhance the combined fund s yield, increase investor appeal and, in turn, improve secondary market trading prices of the common shares relative to net asset value. Nuveen Fund Advisors recommended, and the Board of the Acquiring Fund also approved: (1) certain changes to the non-fundamental investment policies of the Fund, which provide an expanded investment mandate with greater flexibility to invest in lower rated preferred securities and U.S. dollar denominated securities of foreign issuers; and (2) a change in the Acquiring Fund s name to Nuveen Preferred Securities Income Fund . These changes, which do not require shareholder approval, will be implemented upon the closing of the Reorganizations. Spectrum Asset Management, Inc. (Spectrum or the Sub-Adviser) currently serves as sub-adviser to each Fund and will continue to manage the investment of the Acquiring Fund s portfolio as investment sub-adviser following the closing of the Reorganizations.

Each Fund has adopted a non-fundamental investment policy requiring it to invest at least 80% of its Managed Assets in preferred securities, which may be changed by the Board without shareholder approval provided that shareholders receive 60 days prior written notice. This policy is not changing. Managed Assets means the total assets of the Fund, minus the sum of its accrued liabilities (other than Fund liabilities incurred for the express purpose of creating leverage). Total assets for this purpose shall include assets attributable to the Fund s use of financial leverage through borrowing or other means. As of the date of this Joint Proxy Statement/Prospectus, each Fund has a non-fundamental policy requiring it to invest at least 65% of its Managed Assets in securities that, at the time of investment, are rated investment grade (BBB/Baa or better). Investment grade securities may include unrated securities judged to be of comparable quality by the Fund s Investment Adviser or Sub-Adviser. Each Fund may also invest up to 45% of its Managed Assets in U.S. dollar denominated securities of non-U.S. issuers offered, traded or listed in U.S. markets.

Under the new investment mandate, the Acquiring Fund has changed its non-fundamental investment policies to: (i) decrease its minimum allocation to securities rated, at the time of investment, investment grade (BBB/Baa and above) to 50% of Managed Assets and (ii) eliminate the existing 45% limit on dollar denominated securities of foreign issuers. These changes are intended to provide the combined fund with the flexibility to take advantage of the evolution in the preferred securities markets since each Fund s inception in 2002. The new investment mandate will take effect upon the closing of the Reorganizations and will replace the corresponding non-fundamental policies currently in effect.

The Acquiring Fund's allocation to lower rated securities and U.S. dollar denominated securities of foreign issuers may vary over time, consistent with its investment objectives and policies. However, it is expected that a greater percentage of the Acquiring Fund's portfolio would be allocated to lower rated securities and U.S. dollar denominated securities of foreign issuers relative to the Funds' historical allocations to such securities. The Acquiring Fund's greater allocation to lower rated securities and U.S. dollar denominated securities of foreign issuers is intended to result in potentially higher net earnings that may support higher common share distributions. However, investments in lower rated securities and U.S. dollar denominated securities of foreign issuers are subject to increased credit risk and foreign securities risk, respectively. See Proposal No. 2 B. Risk Factors on page [36] of the Joint Proxy Statement/Prospectus for a discussion of the risks associated with lower rated securities and page [] with respect to foreign securities risk. In addition to the foregoing, in order to bring its leverage ratio more in line with peers, the combined fund is expected to increase its leverage relative to historical levels of each Fund. See page [] for a discussion of leverage risk.

The current and new investment policies set forth above are non-fundamental policies. Non-fundamental investment policies may be changed by the Board at any time without shareholder approval. Accordingly, shareholders are not being asked to approve these changes.

The terms of the reorganization of each Target Fund into the Acquiring Fund are set forth in an Agreement and Plan of Reorganization by and among the Acquiring Fund and each Target Fund. The Agreement and Plan of Reorganization provides for: (1) the Acquiring Fund's acquisition of substantially all of the assets of each Target Fund in exchange for newly issued common shares of the Acquiring Fund, par value \$0.01 per share, and the Acquiring Fund's assumption of substantially all of the liabilities of each Target Fund; and (2) the distribution of the newly issued Acquiring Fund common shares received by each Target Fund to its common shareholders as part of the liquidation, dissolution and termination of each Target Fund in accordance with applicable law (each, a Reorganization and together, the Reorganizations). The aggregate net asset value of the Acquiring Fund common shares as of the Valuation Time (as defined in the Agreement and Plan of Reorganization) received by each Target Fund in connection with a Reorganization will equal the aggregate net asset value of the Target Fund common shares held by shareholders of such Target Fund as of such time. Prior to the Valuation Time, the net asset value of each Target Fund and the Acquiring Fund will be reduced by the costs of the Reorganizations borne by such Fund. No fractional Acquiring Fund common shares will be distributed to a Target Fund common shareholder in connection with a Reorganization and, in lieu of such fractional shares, each Target Fund common shareholder entitled to receive such fractional shares will receive cash in an amount equal to a pro rata share of the proceeds from the sale of such fractional shares in the open market, which may be higher or lower than net asset value. The Agreement and Plan of Reorganization may be amended by the Funds, as specifically authorized by each Fund's Board, provided that following the Annual Meeting, no such amendment may change the provisions for determining the number of Acquiring Fund shares to be issued to Target Fund shareholders to the detriment of such shareholders without their further approval.

The Acquiring Fund will continue to operate after the Reorganizations as a registered closed-end management investment company, with the investment objectives and policies described in this Joint Proxy Statement/Prospectus, including the expanded investment mandate as also herein described.

With respect to the Reorganization of each Target Fund into the Acquiring Fund, the Reorganization is required to be approved by the affirmative vote of the holders of a majority of the

Target Fund's outstanding common shares. The affirmative vote of the holders of a majority of the outstanding common shares of the Acquiring Fund are required to approve the issuance of additional common shares of the Acquiring Fund in connection with the Reorganizations.

The closing of each Reorganization is contingent upon the closing of both of the Reorganizations. The closing of each Reorganization is also subject to the satisfaction or waiver of certain closing conditions, which include customary closing conditions. In order for the Reorganizations to occur, all requisite shareholder approvals must be obtained at the Annual Meetings. Because the closing of the Reorganizations is contingent upon each of the Target Funds and the Acquiring Fund obtaining such shareholder approvals and satisfying (or obtaining the waiver of) other closing conditions, it is possible that the Reorganizations will not occur, even if shareholders of your Fund entitled to vote on your Fund's Reorganization proposal(s) approve such proposal(s) and your Fund satisfies all of its closing conditions, if one or more of the other Funds does not obtain its requisite shareholder approvals or satisfy (or obtain the waiver of) its closing conditions. If the requisite shareholder approvals are not obtained, each Fund's Board may take such actions as it deems in the best interests of its Fund, including conducting additional solicitations with respect to the proposals or continuing to operate the Fund as a standalone Fund. Because the investment policies of each Fund relevant to the expanded investment mandate recommended by Nuveen Fund Advisors (such as with respect to credit quality and securities of foreign issuers) are non-fundamental, and may be changed by the Board without shareholder approval, the Board may determine to approve investment mandate updates to each Fund individually, irrespective of the Reorganizations, if deemed to be in the best interests of a Fund.

The following documents have been filed with the SEC and are incorporated into this Joint Proxy Statement/Prospectus by reference:

- (1) the Statement of Additional Information relating to the proposed Reorganizations, dated [], 2015 (the Reorganization SAI);
- (2) the audited financial statements and related independent registered public accounting firm's report for the Acquiring Fund and the financial highlights for the Acquiring Fund contained in the Fund's Annual Report for the fiscal year ended July 31, 2015 (File No. 811-21137); and
- (3) the audited financial statements and related independent registered public accounting firm's report for each Target Fund and the financial highlights for each Target Fund contained in the Fund's Annual Report for the fiscal year ended July 31, 2015 (File Nos. 811-21082 and 811-21242, respectively).

No other parts of the Funds' Annual Reports are incorporated by reference herein.

Copies of the foregoing may be obtained without charge by calling (800) 257-8787 or writing the Funds at 333 West Wacker Drive, Chicago, Illinois 60606. If you wish to request a copy of the Reorganization SAI, please ask for the [] Reorganization SAI. In addition, each Fund will furnish, without charge, a copy of its most recent Semi-Annual Report to a shareholder upon request. Any such request should be directed to the Funds by calling (800) 257-8787 or by writing the Funds at 333 West Wacker Drive, Chicago, Illinois 60606.

The Funds are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and the Investment Company Act of 1940, as amended (the 1940 Act), and in accordance therewith file reports and other information with the SEC. Reports, proxy statements, registration statements and other information filed by the Funds, including the Registration Statement on Form N-14 relating to the common shares of the Acquiring Fund of which this Joint Proxy Statement/Prospectus is a part, may be inspected without charge and copied (for a duplication fee at prescribed rates) at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549 or at the SEC's New York Regional Office (Brookfield Place, 200 Vesey Street, Suite 400, New York, New York 10281) or Chicago Regional Office (175 West Jackson Boulevard, Suite 900, Chicago, Illinois 60604). You may call the SEC at (202) 551-8090 for information about the operation of the public reference room. You may obtain copies of this information, with payment of a duplication fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing the SEC's Public Reference Branch, Office of Consumer Affairs and Information Services, Securities and Exchange Commission, Washington, D.C. 20549. You may also access reports and other information about the Funds on the EDGAR database on the SEC's Internet site at <http://www.sec.gov>.

The common shares of the Funds are listed on the NYSE. Upon the closing of the Reorganizations, it is expected that the Acquiring Fund will continue the listing of its common shares on the NYSE. Reports, proxy statements and other information concerning the Funds can be inspected at the offices of the NYSE, 11 Wall Street, New York, New York 10005.

This Joint Proxy Statement/Prospectus serves as a prospectus of the Acquiring Fund in connection with the issuance of the Acquiring Fund common shares in each Reorganization. In this connection, no person has been authorized to give any information or make any representation not contained in this Joint Proxy Statement/Prospectus and, if so given or made, such information or representation must not be relied upon as having been authorized. This Joint Proxy Statement/Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction in which, or to any person to whom, it is unlawful to make such offer or solicitation.

JOINT PROXY STATEMENT/PROSPECTUS

[], 2015

NUVEEN QUALITY PREFERRED INCOME FUND 2 (JPS)

NUVEEN QUALITY PREFERRED INCOME FUND (JTP)

AND

NUVEEN QUALITY PREFERRED INCOME FUND 3 (JHP)

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