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border-bottom: Black 1px solid; text-align: left"> 9.8% Japan 3.2% France 2.9%

*Portfolio Distributions percentages are based on total investments. The Top 10 Holdings and Top 5 Countries do not include short-term investments and percentages are based on total net assets. Portfolio holdings and sector *distributions are as of 04/30/15 and are subject to change. Portfolio holdings are not recommendations to buy or sell any securities.*

8

Manager Commentary
April 30, 2015

REGIONAL ALLOCATION** *As of April 30, 2015 (Unaudited)*

*** As a percentage of total investments, excluding any short-term investments.*

NAV AND MARKET PRICE *As of April 30, 2015 (Unaudited)*

Semi-Annual Report (Unaudited) | April 30, 2015 9

Schedule of Portfolio Investments
April 30, 2015 (Unaudited)

Shares	Security Description	Value
COMMON STOCKS-96.7%		
Aerospace & Defense-1.0%		
7,000	Raytheon Co.	\$728,000
6,700	United Technologies Corp.	762,125
		1,490,125
Air Freight & Logistics-0.9%		
7,700	FedEx Corp. (a)	1,305,689
Airlines-0.6%		
28,400	Japan Airlines Co., Ltd.	951,424
Auto Components-2.0%		
6,500	BorgWarner, Inc.	384,800
11,100	Delphi Automotive PLC	921,300
311,000	GKN PLC	1,677,053
		2,983,153
Automobiles-0.7%		
16,500	Thor Industries, Inc.	992,805
Banks-4.5%		
139,599	Banco Bilbao Vizcaya Argentaria SA	1,410,741
85,100	Bangkok Bank PCL-NVDR	477,582
28,200	Hana Financial Group, Inc.	833,899
76,000	Mitsubishi UFJ Financial Group, Inc.	544,794
127,400	Regions Financial Corp. (a)	1,252,342
47,500	Standard Chartered PLC	780,164
9,600	Sumitomo Mitsui Financial Group, Inc.	421,467
17,900	Wells Fargo & Co. (a)	986,290
		6,707,279
Beverages-1.2%		
14,700	Anheuser-Busch InBev NV-SP ADR (a)	1,764,588
Biotechnology-0.2%		
3,700	Gilead Sciences, Inc.	371,887
Capital Markets-2.9%		
53,000	Daiwa Securities Group, Inc.	443,886
101,300	Fortress Investment Group LLC-Class A	822,556
13,500	Lazard, Ltd.-Class A	715,905
56,336	Mediobanca SpA	551,600
56,744	Och-Ziff Capital Management Group LLC-Class A (a)	732,565
21,600	Schroders PLC	1,076,575
		4,343,087
Chemicals-2.0%		
90,000	Clariant AG (b)	1,987,245
15,000	Symrise AG	917,256
		2,904,501

Security

Shares	Description	Value
Commercial Services & Supplies-2.5%		
24,900	ISS A/S	\$842,189
36,700	KAR Auction Services, Inc. ^(a)	1,365,607
84,500	RR Donnelley & Sons Co. ^(a)	1,573,390
		3,781,186
Communications Equipment-1.8%		
42,100	Cisco Systems, Inc. ^(a)	1,213,743
14,000	Ei Towers SpA	850,446
9,500	QUALCOMM, Inc. ^(a)	646,000
		2,710,189
Construction & Engineering-2.6%		
295,000	Abengoa SA-B Shares	960,267
640,500	China Railway Construction Corp., Ltd.-Class H	1,287,520
26,900	Vinci SA	1,655,820
		3,903,607
Containers & Packaging-1.7%		
264,000	DS Smith PLC	1,417,529
15,000	Packaging Corp. of America	1,037,850
		2,455,379
Diversified Financial Services-1.4%		
104,100	Cerved Information Solutions SpA ^(b)	759,776
23,900	Citigroup, Inc. ^(a)	1,274,348
		2,034,124
Diversified Telecommunication Services-0.9%		
19,000	BT Group PLC-SP ADR	1,327,720
Electric Utilities-0.8%		
23,500	Eversource Energy ^(a)	1,145,860
Electronic Equipment, Instruments & Components-1.1%		
24,000	TE Connectivity, Ltd. ^(a)	1,597,200
Energy Equipment & Services-0.5%		
8,500	Schlumberger, Ltd.	804,185
Food & Staples Retailing-1.2%		
9,000	CVS Health Corp.	893,610
10,500	Walgreens Boots Alliance, Inc. ^(a)	870,765
		1,764,375
Food Products-3.9%		
42,424	Dean Foods Co.	689,390
8,500	Kraft Foods Group, Inc.	720,375
33,200	Mondelez International, Inc.- Class A ^(a)	1,273,884
22,500	Nestle SA	1,758,133
34,100	Pinnacle Foods, Inc. ^(a)	1,382,755
		5,824,537

Schedule of Portfolio Investments (Continued)
 April 30, 2015 (Unaudited)

Shares	Security Description	Value
Gas Utilities-0.9%		
218,000	Infraestructura Energetica Nova SAB de CV	\$1,272,306
Health Care Equipment & Supplies-1.1%		
22,500	Medtronic PLC ^(a)	1,675,125
Health Care Providers & Services-3.5%		
10,000	HCA Holdings, Inc. ^{(a)(b)}	740,100
7,500	Humana, Inc. ^(a)	1,242,000
8,000	McKesson Corp. ^(a)	1,787,200
6,300	UnitedHealth Group, Inc.	701,820
6,700	Universal Health Services, Inc.- Class B	783,565
		5,254,685
Hotels, Restaurants & Leisure-1.7%		
15,500	Carnival Corp.	681,535
7,500	McDonald's Corp.	724,125
25,000	Melco Crown Entertainment, Ltd.-ADR	510,500
9,000	Royal Caribbean Cruises, Ltd.	612,540
		2,528,700
Household Durables-0.9%		
14,500	Lennar Corp.-Class A	664,100
16,000	Ryland Group, Inc.	659,520
		1,323,620
Household Products-1.9%		
10,000	Colgate-Palmolive Co. ^(a)	672,800
10,100	Energizer Holdings, Inc. ^(a)	1,379,862
28,500	Svenska Cellulosa AB SCA-B Shares	722,986
		2,775,648
Independent Power Producers & Energy Traders-1.1%		
26,518	Abengoa Yield PLC	899,226
25,432	Pattern Energy Group, Inc.	737,019
		1,636,245
Insurance-4.5%		
4,500	Allianz SE	771,061
50,000	BB Seguridade Participacoes SA	584,975
9,900	Prudential Financial, Inc.	807,840
185,727	Standard Life PLC	1,333,940
15,000	Swiss Re AG	1,336,085
6,000	Zurich Insurance Group AG ^(b)	1,862,479
		6,696,380
IT Services-1.1%		
17,000	Accenture PLC-Class A ^(a)	1,575,050
Life Sciences Tools & Services-1.1%		
12,500	Thermo Fisher Scientific, Inc. ^(a)	1,571,000

Shares	Security Description	Value
Machinery-1.9%		
521,500	China CNR Corp., Ltd.-Class H ^{(b)(c)}	\$1,071,186
11,500	Snap-on, Inc. ^(a)	1,719,825
		2,791,011
Media-4.4%		
12,100	CBS Corp.-Class B	751,773
12,000	Comcast Corp.-Class A ^(a)	693,120
298,700	ITV PLC	1,162,767
14,000	The Walt Disney Co. ^(a)	1,522,080
2,500	Time Warner Cable, Inc.	388,800
9,000	Time Warner, Inc.	759,690
54,000	WPP PLC	1,264,901
		6,543,131
Multi-Utilities-0.8%		
35,400	CMS Energy Corp. ^(a)	1,201,122
Multiline Retail-1.2%		
2,000	Kering	370,653
160,200	Marks & Spencer Group PLC	1,361,095
		1,731,748
Oil, Gas & Consumable Fuels-6.0%		
6,300	Chevron Corp.	699,678
32,800	Enbridge, Inc. ^(a)	1,716,424
11,800	Exxon Mobil Corp.	1,030,966
17,400	Occidental Petroleum Corp. ^(a)	1,393,740
9,000	Phillips 66 ^(a)	713,790
108,500	Scorpio Tankers, Inc.	1,013,390
29,000	The Williams Cos., Inc. ^(a)	1,484,510
14,300	TOTAL SA	778,512
		8,831,010
Pharmaceuticals-6.6%		
21,000	AstraZeneca PLC-SP ADR ^(a)	1,438,080
10,000	Bayer AG	1,458,582
11,500	Merck & Co., Inc.	684,940
23,000	Novartis AG-SP ADR ^(a)	2,341,400
6,500	Roche Holding AG	1,876,949
32,700	Teva Pharmaceutical Industries, Ltd.-SP ADR ^(a)	1,975,734
		9,775,685
Real Estate Investment Trusts-5.0%		
13,423	American Tower Corp. ^(a)	1,268,876
18,100	Corrections Corp. of America	665,899
125,663	Fibra Uno Administracion SA de CV	313,379
140	Nippon Building Fund, Inc.	697,655
466,666	Prologis Property Mexico SA de CV ^(b)	827,357
106,184	Scentre Group	314,268

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29,000	Starwood Waypoint Residential Trust	746,460
21,000	The Geo Group, Inc.	819,000
103,000	Two Harbors Investment Corp. ^(a)	1,081,500
85,220	Westfield Corp.	637,297
		7,371,691

The accompanying notes are an integral part of these financial statements.

Semi-Annual Report (Unaudited) | April 30, 2015 11

Schedule of Portfolio Investments (Continued)
 April 30, 2015 (Unaudited)

Shares	Security Description	Value
Real Estate Management & Development-2.3%		
65,000	BR Malls Participacoes SA	\$353,806
129,500	BR Properties SA	451,732
46,000	CK Hutchison Holdings, Ltd.	998,871
54,500	Mitsui Fudosan Co., Ltd.	1,625,643
		3,430,052
Road & Rail-2.5%		
9,800	Canadian Pacific Railway, Ltd. ^(a)	1,867,684
1,122,928	Rumo Logistica Operadora Multimodal SA ^(b)	484,511
13,900	Ryder System, Inc. ^(a)	1,325,504
		3,677,699
Semiconductors & Semiconductor Equipment-3.0%		
46,900	Applied Materials, Inc.	928,151
17,000	Avago Technologies, Ltd. ^(a)	1,986,960
23,500	Intel Corp.	764,925
19,500	SK Hynix, Inc.	839,482
		4,519,518
Specialty Retail-2.7%		
344,500	Pets at Home Group PLC	1,380,187
108,142	Stein Mart, Inc. ^(a)	1,279,320
20,100	TJX Cos., Inc. ^(a)	1,297,254
		3,956,761
Technology, Hardware, Storage & Peripherals-3.3%		
22,000	Apple, Inc. ^(a)	2,753,300
51,300	EMC Corp. ^(a)	1,380,483
8,500	Western Digital Corp.	830,790
		4,964,573
Textiles, Apparel & Luxury Goods-1.1%		
15,700	Carter's, Inc. ^(a)	1,567,802
Trading Companies & Distributors-1.2%		
99,000	Ashtead Group PLC	1,711,125
Transportation Infrastructure-0.9%		
259,000	Adani Ports & Special Economic Zone, Ltd.	1,300,811
Water Utilities-0.4%		
11,800	American Water Works Co., Inc. ^(a)	643,336
Wireless Telecommunication Services-1.2%		
49,000	Vodafone Group PLC-SP ADR ^(a)	1,724,800
TOTAL COMMON STOCKS		
(Cost \$126,734,693)		143,213,534

Shares	Security Description	Value
	EQUITY-LINKED STRUCTURED NOTES-4.8%	
	Capital Markets-1.2%	
63,500	Credit Suisse Group AG-Merrill Lynch & Co., Inc.	\$1,687,979
	Insurance-1.8%	
620,626	Brit PLC-Morgan Stanley BV	2,658,876
	Machinery-0.6%	
247,248	Melrose Industries PLC	935,666
	Multi-Utilities-1.2%	
47,453	Centrica PLC-Merrill Lynch & Co., Inc.	186,034
72,500	Veolia Environnement SA-Morgan Stanley BV	1,540,213
		1,726,247
	TOTAL EQUITY-LINKED STRUCTURED NOTES	
	(Cost \$7,441,040)	7,008,768
	Principal Amount	
	CONVERTIBLE BONDS-0.0% (d)	
	Household Durables-0.0% (d)	
\$154,733	PDG Realty SA Empreendimentos e Participacoes-Series 8, 0.000%, 9/19/16 (Brazilian Real) (e)	514
	TOTAL CONVERTIBLE BONDS	
	(Cost \$55,510)	514
	Contract Amount	
	CALL OPTIONS PURCHASED-0.0% (d)	
	Pharmaceuticals-0.0% (d)	
11,500	Perrigo Co. PLC, Expiration Date 5/15/2015, Strike Price \$200.0	20,700
	TOTAL CALL OPTIONS PURCHASED	
	(Cost \$73,929)	20,700
	TOTAL INVESTMENTS	
	(Cost \$134,305,172)—101.5%	150,243,516
	LIABILITIES IN EXCESS OF OTHER ASSETS—(1.5)%	(2,166,691)
	TOTAL NET ASSETS 100.0%	\$ 148,076,825

The accompanying notes are an integral part of these financial statements.

Schedule of Portfolio Investments (Continued)
April 30, 2015 (Unaudited)

Percentages are stated as a percent of net assets.

(a) All or a portion of the security has been designated as collateral for the line of credit.

(b) Non-income producing security.

Restricted under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. These securities have been determined to be liquid under guidelines established by the Board of Trustees. Liquid securities restricted under Rule 144A comprised 0.7% of the Fund's net assets.

(d) Less than 0.05% of Net Assets.

(e) Represents a zero-coupon bond.

Common Abbreviations

AB - Aktiebolag is the Swedish equivalent of a corporation.

ADR - American Depositary Receipt

AG - Aktiengesellschaft is a German term that refers to a corporation that is limited by shares, i.e., owned by shareholders.

AS - Anonim Sirketi is the Turkish term for joint stock company.

A/S - Aktieselskab is the Danish term for a stock-based corporation.

BV - Besloten Vennootschap is the Dutch equivalent of a private limited liability company.

NV - Naamloze Vennootschap is the Dutch term for a public limited liability corporation.

NVDR - Non-Voting Depositary Receipts

PCL - Public Company Limited

PLC - Public Limited Company

SA - Generally designates corporations in various countries, mostly those employing the civil law.

SA de CV - Sociedad Anonima de Capital Variable is the Spanish equivalent to Variable Capital Company.

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SAB de CV - Sociedad Anonima Bursatil de Capital Variable is the Spanish equivalent to Variable Capital Company.

SCA - Societe en Commandite par actions is the French equivalent of a limited partnership.

SE - SE Regulation. A European Company which can operate on a Europe-wide basis and be governed by Community law directly applicable in all Member States.

SP ADR - Sponsored American Depositary Receipt

SpA - Societa' Per Azioni is an Italian shared company.

The accompanying notes are an integral part of these financial statements.

Semi-Annual Report (Unaudited) | April 30, 2015 13

Statement of Assets and Liabilities
April 30, 2015 (Unaudited)

ASSETS:

Investments, at value ⁽¹⁾	\$150,243,516
Foreign currencies, at value ⁽²⁾	4,775
Receivable from investment securities sold	9,034,079
Dividends receivable	1,419,801
Unrealized appreciation on forward currency contracts	656,057
Prepaid expenses and other assets	18,418
Total assets	161,376,646

LIABILITIES:

Loan payable (Note 6)	6,499,855
Interest on loan payable	286
Payable for investment securities purchased	5,932,595
Unrealized depreciation on forward currency contracts	407,494
Accrued expenses and other liabilities:	
Investment advisory fees	123,591
Trustee fees	57,165
Compliance fees	64,853
Other	213,982
Total liabilities	13,299,821
Net Assets	\$148,076,825

NET ASSETS

REPRESENTED BY:

Paid-in-capital	\$468,169,924
Undistributed net investment income	1,962,917
Accumulated net realized loss from investments and foreign currency transactions	(338,200,230)
Net unrealized appreciation on investments and foreign currency translations	16,144,214
Net Assets	\$148,076,825
Net asset value	
Net assets	\$148,076,825
	12,603,082

Shares of beneficial interest
issued and outstanding

Net asset value per share \$11.75

(1) Total cost of investments \$134,305,172

(2) Cost of foreign currencies \$4,775

The accompanying notes are an integral part of these financial statements.

Statement of Operations
For the Six Months Ended April 30, 2015 (Unaudited)

INVESTMENT INCOME:

Dividend income	\$7,773,426
Less: Foreign taxes withheld	(99,877)
Interest income	2
Total investment income	7,673,551

EXPENSES:

Investment advisory fee (Note 4)	714,479
Audit and tax fees	45,428
Printing and mailing fees	40,944
Interest on loan (Note 6)	32,264
Compliance fees	25,098
Legal fees	22,363
Administration fee (Note 4)	14,885
NYSE fees	12,291
Trustee fees	10,958
Accounting and custody fees	6,477
Insurance fees	4,605
Other fees	21,471
Total expenses	951,263
Net investment income	6,722,288

NET REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS AND FOREIGN CURRENCY:

Net realized gain from:	
Investments	1,850,813
Foreign currency transactions	2,753,487
Net realized gain from investments and foreign currency	4,604,300
Change in net unrealized appreciation/(depreciation) on:	
Investments	2,375,793
Foreign currency translations	(1,492,664)
Change in net unrealized appreciation on investments and foreign currency	883,129
Net gain on investments and foreign currency	5,487,429
Increase in net assets from operations	\$12,209,717

The accompanying notes are an integral part of these financial statements.
Semi-Annual Report (Unaudited) | April 30, 2015 15

Statements of Changes in Net Assets

	For the Six Months Ended April 30, 2015 (Unaudited)	For the Year Ended October 31, 2014
OPERATIONS:		
Net investment income	\$6,722,288	\$8,835,214
Net realized gain (loss) from:		
Investments	1,850,813	3,479,439
Foreign currency transactions	2,753,487	(257,074)
Change in net unrealized appreciation/(depreciation) on:		
Investments	2,375,793	(2,968,550)
Foreign currency translations	(1,492,664)	1,780,606
Increase in net assets from operations	12,209,717	10,869,635
DISTRIBUTIONS TO COMMON SHAREHOLDERS (NOTE 5):		
From net investment income	(4,839,583)	(9,578,342)
Decrease in net assets from distributions to shareholders	(4,839,583)	(9,578,342)
CAPITAL SHARE TRANSACTIONS:		
Net increase in net assets	7,370,134	1,291,293
NET ASSETS:		
Beginning of period	140,706,691	139,415,398
End of period*	\$148,076,825	\$140,706,691
CAPITAL SHARE TRANSACTIONS:		
Common shares outstanding - beginning of period	12,603,082	12,603,082 (1)
Common shares outstanding - end of period	12,603,082	12,603,082
* Including undistributed net investment income of:	\$1,962,917	\$80,212

⁽¹⁾ Shares through January 20, 2014 have been adjusted to reflect the effects of a 1 for 2 reverse stock split effective January 21, 2014. See Note 7.

The accompanying notes are an integral part of these financial statements.

Financial Highlights

(For a share outstanding throughout each year)

	Six Months Ended April 30, 2015 (Unaudited)	2014	2013 ^(a)	2012 ^(a)	2011 ^(a)	2010 ^(a)
PER COMMON SHARE OPERATING PERFORMANCE:						
Net asset value per share, beginning of period	\$11.16	\$11.06	(a) \$10.26	\$11.36	\$13.48	\$13.98
Income from investment operations:						
Net investment income	0.53	0.70	0.78	1.40	1.38	1.76
Net realized and unrealized gain (loss)	0.44	0.16	0.98	(1.06)	(1.78)	0.10
Total from investment operations	0.97	0.86	1.76	0.34	(0.40)	1.86
LESS DISTRIBUTIONS:						
From net investment income	(0.38)	(0.76)	(0.96)	(1.44)	(1.72)	(2.36)
Total distributions	(0.38)	(0.76)	(0.96)	(1.44)	(1.72)	(2.36)
Net asset value per share, end of period	\$11.75	\$11.16	\$11.06	\$10.26	\$11.36	\$13.48
Per share market value, end of period	\$10.35	\$9.78	\$9.96	\$11.52	\$12.04	\$13.68
Total return based on:						
Net Asset Value ^(b)	9.33% ^(c)	8.78%	18.87%	2.98%	(4.49)%	11.62%
Market Value ^(b)	9.90% ^(c)	5.86%	(4.66)%	9.10%	(0.25)%	(14.12)%
RATIOS/SUPPLEMENTAL DATA:						
Net Assets at end of period (000)	\$148,077	\$140,707	\$139,415	\$129,248	\$142,830	\$168,189
Ratio of total expenses to average net assets ^(d)	1.33% ^(e)	1.42%	1.47%	1.39%	1.39%	1.55%
Ratio of net investment income to average net assets	9.41% ^(e)	6.22%	7.51%	13.13%	10.19%	12.96%
Portfolio turnover	68% ^(c)	110%	224%	233%	299% ^(f)	408% ^(f)
Borrowing at End of period						
Aggregate Amount Outstanding (000)	\$6,500	\$4,762	\$2,029	\$1,840	\$8,256	\$4,826
Asset Coverage Per \$1,000 (000)	\$23,782	\$30,545	\$69,714	\$71,247	\$18,300	\$35,851

On January 21, 2014, the Fund implemented a 1 for 2 reverse stock split. Net asset value and per share information ^(a)through January 20, 2014 have been updated to reflect the effect of the split. Shareholders received 1 share for every 2 shares owned and net asset value per share increased correspondingly.

Total investment return is calculated assuming a purchase of a common share at the opening on the first day and a sale at closing on the last day of each period reported. Dividends and distributions, if any, are assumed for purposes ^(b)of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions paid directly by the Fund's common shareholders. Past performance is not a guarantee of future results.

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(c) Not annualized.

Ratio of total expenses to average net assets excluding interest expense was 1.29% for the six months ended April 30, 2015, and 1.39%, 1.45%, 1.38%, 1.35% and 1.49% for the years ended October 31, 2014, 2013, 2012, 2011 and 2010, respectively.

(e) Annualized.

(f) Portfolio turnover rate does not reflect total return swap transactions.

The accompanying notes are an integral part of these financial statements.

Semi-Annual Report (Unaudited) | April 30, 2015 17

Notes to Financial Statements
April 30, 2015 (Unaudited)

1. Organization:

Alpine Global Dynamic Dividend Fund (the “Fund”) is a diversified, closed-end management investment company. The Fund was organized as a Delaware Statutory Trust on May 11, 2006, and had no operating history prior to July 26, 2006. The Board of Trustees (the “Board”) authorized an unlimited number of shares with no par value. The Fund’s primary investment objective is to seek high current dividend income, more than 50% of which qualifies for the reduced Federal income tax rates created by the Jobs and Growth Tax Relief Reconciliation Act of 2003. The Fund also focuses on long-term growth of capital as a secondary investment objective.

2. Significant Accounting Policies:

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”), which require management to make estimates and assumptions that affect amounts reported herein. Actual results could differ from those estimates. Changes in the economic environment, financial markets and any other parameters used in determining these estimates could cause actual results to differ.

A. Valuation of Securities:

The net asset value (“NAV”) of shares of the Fund is calculated by dividing the value of the Fund’s net assets by the number of outstanding shares. NAV is determined each day the New York Stock Exchange (“NYSE”) is open as of the close of regular trading (normally, 4:00 p.m., Eastern Time). In computing NAV, portfolio securities of the Fund are valued at their current market values determined on the basis of market quotations or if market quotations are not readily available or determined to be unreliable, through procedures and/or guidelines established by the Board. In computing the Fund’s NAV, equity securities that are traded on a securities exchange in the United States, except for those listed on NASDAQ Global Market, NASDAQ Global Select Market and NASDAQ Capital Market exchanges (collectively, “NASDAQ”) and option securities, are valued at the last reported sale price as of the time of valuation. Securities traded on NASDAQ will be valued at the NASDAQ Official Closing Prices (“NOCP”). If, on a particular day, an exchange traded or NASDAQ security does not trade, then the mean between the most recent quoted bid and asked prices will be used. For equity investments traded on more than one exchange, the last reported sale price on the exchange where the stock is primarily traded is used. Equity-linked structured notes are valued by referencing the last reported sale or settlement price of the underlying security on the day of valuation. Foreign exchange adjustments are applied to the last reported price to convert the underlying security’s trading currency to the equity-linked structured note’s settlement currency. These investments are categorized as Level 2 of the fair value

hierarchy. Each option security traded on a securities exchange in the United States is valued at the last current reported sales price as of the time of valuation if the last current reported sales price falls within the consolidated bid/ask quote. If the last current reported sale price does not fall within the consolidated bid/ask quote, the security is valued at the mid-point of the consolidated bid/ask quote for the option security. Forward currency contracts are valued based on third-party vendor quotations. Each security traded in the over-the-counter market and quoted on the NASDAQ National Market System is valued at the NOCP, as determined by NASDAQ, or lacking an NOCP, the last current reported sale price as of the time of valuation by NASDAQ, or lacking any current reported sale on NASDAQ at the time of valuation, at the mean between the most recent bid and asked quotations. Each over-the-counter option that is not traded through the Options Clearing Corporation is valued by the counterparty, or if the counterparty's price is not readily available, then by using the Black-Scholes method. Debt securities are valued based on an evaluated bid price as furnished by pricing services approved by the Board, which may be based on market transactions for comparable securities and various relationships between securities that are generally recognized by institutional traders, a computerized matrix system, or appraisals derived from information concerning the securities or similar securities received from recognized dealers in those securities. Each other security traded over-the-counter is valued at the mean between the most recent bid and asked quotations. Short-term securities with maturities of less than one year are valued at amortized cost, which approximates fair value.

Securities that are principally traded in a foreign market are valued at the last current sale price at the time of valuation or lacking any current or reported sale, at the time of valuation, at the mean between the most recent bid and asked quotations as of the close of the appropriate exchange or other designated time. Trading in securities on European and Far Eastern securities exchanges and over-the-counter markets is normally completed at various times before the close of business on each day on which the NYSE is open. Trading of these securities may not take place on every NYSE business day. In addition, trading may take place in various foreign markets on Saturdays or on other days when the NYSE is not open and on which the Fund's NAV not calculated.

When market quotations are not readily available or when the valuation methods mentioned above are not reflective of a fair value of the security, the security is valued at fair value following procedures and/or guidelines approved by the Board. The Fund may also use fair value pricing, if the value of a security it holds is, pursuant to the Board guidelines, materially affected by events occurring before the Fund's NAV calculated but after the close of the primary market or market transactions for comparable securities and various relationships between securities that are generally recognized by institutional traders, a computerized matrix system, or appraisals derived from information concerning the securities or

Notes to Financial Statements (Continued)
April 30, 2015 (Unaudited)

similar securities received from recognized dealers in those securities. The Board has approved the use of a third-party pricing vendor's proprietary fair value pricing model to assist in determining current valuation for foreign equities and OTC derivatives traded in markets that close prior to the NYSE. When fair value pricing is employed, the value of the portfolio security used to calculate the Fund's NAV may differ from quoted or official closing prices. The Fund may also fair value a security if the Fund or Adviser believes that the market price is stale. Other types of securities that the Fund may hold for which fair value pricing might be required include illiquid securities including restricted securities and private placements for which there is no public market.

Fair Value Measurement:

In accordance with GAAP, the Fund uses a three-tier hierarchy to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability that are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entities' own assumptions about the assumptions market participants would use in pricing the asset or liability that are developed based on the best information available.

Level 1 - Unadjusted quoted prices in active markets/exchanges for identical investments.

Level 2 - Other significant observable inputs (including quoted prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, etc.).

Level 3 - Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Various inputs are used in determining the value of the Fund's investments as of the reporting period end. The designated input levels are not necessarily an indication of the risk or liquidity associated with these investments. These inputs are categorized in the following hierarchy under GAAP.

The Fund uses valuation techniques to measure fair value that are consistent with the market approach and/or income approach, depending on the type of security and the particular circumstance. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable securities. The income approach uses valuation techniques to discount estimated future cash flows to present value.

The following is a summary of the inputs used to value the Fund's assets and liabilities carried at fair value as of April 30, 2015:

Investments in Securities at Value*	Valuation Inputs			Total Value
	Level 1	Level 2	Level 3	
Common Stocks				
Consumer Discretionary	\$21,627,720	\$—	\$ —	\$21,627,720
Consumer Staples	11,406,162	—	—	11,406,162
Energy	9,635,195	—	—	9,635,195
Financials	30,105,031	477,582	—	30,582,613
Health Care	18,648,382	—	—	18,648,382
Industrials	20,912,677	—	—	20,912,677
Information Technology	15,366,530	—	—	15,366,530
Materials	6,082,866	—	—	6,082,866
Telecommunication Services	3,052,520	—	—	3,052,520
Utilities	5,898,869	—	—	5,898,869
Equity-Linked Structured Notes	—	7,008,768	—	7,008,768
Convertible Bonds	—	514	—	514
Call Options Purchased	20,700	—	—	20,700
Total	\$142,756,652	\$7,486,864	\$ —	\$150,243,516

Notes to Financial Statements (Continued)
 April 30, 2015 (Unaudited)

Other Financial Instruments	Valuation Inputs			Total Value
	Level 1	Level 2	Level 3	
Assets				
Forward Currency Contracts	\$—	\$656,057	\$ —	\$656,057
Liabilities				
Forward Currency Contracts	—	(407,494)	—	(407,494)
Total	\$—	\$248,563	\$ —	\$248,563

**For detailed industry descriptions, see accompanying Schedule of Portfolio Investments.*

For the period ended April 30, 2015, there were no transfers between Level 1, Level 2 and Level 3. The Fund recognizes transfers as of the beginning of the period.

B. Security Transactions and Investment Income:

Security transactions are accounted for on a trade date basis. Realized gains and losses are computed on the identified cost basis. Dividend income is recorded on the ex-dividend date or in the case of some foreign securities, on the date thereafter when the Fund is made aware of the dividend. Upon notification from issuers, some of the dividend income received from a real estate investment trust may be redesignated as a reduction of cost of the related investment and/or realized gain. Interest income is recorded on the accrual basis and includes accretion of discounts and amortization of premiums, where applicable. To the extent any issuer defaults or a credit event occurs that impacts the issuer, the Fund may halt any additional interest income accruals and consider the realizability of interest accrued up to the date of default or credit event.

C. Federal and Other Income Taxes:

It is the Fund's policy to comply with the Federal income and excise tax requirements of the Internal Revenue Code of 1986 (the "Code"), as amended, applicable to regulated investment companies, and to timely distribute all of its investment company taxable income and net realized capital gains to shareholders in accordance with the timing requirements imposed by the Code. Therefore, no Federal income tax provision is required. Capital gains realized on some foreign securities are subject to foreign taxes. Dividends and interest from non-U.S. sources received by the Fund are generally subject to non-U.S. withholding taxes at rates ranging up to 30%. Such capital gains and withholding taxes, which are accrued as applicable, may be reduced or eliminated under the terms of applicable U.S. income tax treaties, and the Fund intends to undertake procedural steps to claim the benefits of such treaties. Where

available, the Fund will file refund claims for foreign taxes withheld.

Management has analyzed the Fund's tax positions taken on income tax returns for all open tax years and has concluded that as of April 30, 2015, no provision for income tax is required in the Fund's financial statements. The Fund's Federal and state income and Federal excise tax returns for tax years for which the applicable

statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue. As of April 30, 2015, open Federal and New York tax years include the tax years ended October 31, 2011 through 2014. Also, the Fund has recognized no interest and penalties related to uncertain tax benefits. The Fund 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.

GAAP requires that certain components of net assets be reclassified to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share.

D. Distributions to Shareholders:

The Fund intends to make a level distribution each month to its shareholders of the net investment income of the Fund after payment of Fund operating expenses. The level distribution rate may be modified or eliminated by the Board from time to time. If a monthly distribution exceeds the Fund's monthly estimated investment company taxable income (which may include net short-term capital gain) and net tax-exempt income, the excess could result in a tax-free return of capital distribution from the Fund's assets. The determination of a tax-free return of capital is made on an annual basis as further described below. The Fund's final distribution for each calendar year will include any remaining investment company taxable income and net tax-exempt income undistributed during the year, as well as all net capital gains, if any, realized during the year. If the total distributions made in any fiscal year exceed annual investment company taxable income, net tax-exempt income and net capital gain, such excess distributed amount would be treated as ordinary dividend income to the extent of the Fund's current and accumulated earnings and profits. Distributions in excess of the accumulated investment company taxable income, net tax-exempt income and net capital gain would first be a tax-free return of capital to the extent of the adjusted tax basis in the shares. After such adjusted tax basis is reduced to zero, the distribution would constitute capital gain (assuming the shares are held as capital assets). Distributions to shareholders are recorded by the Fund on the ex-dividend date and are determined in accordance with income tax regulations, which may differ from GAAP.

Notes to Financial Statements (Continued)
April 30, 2015 (Unaudited)

E. Foreign Currency Translation Transactions:

The Fund may invest a portion of its assets in foreign securities. In the event that the Fund executes a foreign security transaction, the Fund will generally enter into a forward foreign currency contract to settle the foreign security transaction. The books and records of the Fund are maintained in U.S. dollars. Non-U.S. dollar-denominated amounts are translated into U.S. dollars as follows, with the resultant translations gains and losses recorded in the Statement of Operations:

- i) market value of investment securities and other assets and liabilities at the exchange rate on the valuation date.

- ii) purchases and sales of investment securities, income and expenses at the exchange rate prevailing on the respective date of such transactions.

F. Risks Associated with Foreign Securities and Currencies:

Investments in securities of foreign issuers carry certain risks not ordinarily associated with investments in securities of domestic issuers. Such risks include future political and economic developments and the possible imposition of exchange controls or other foreign governmental laws and restrictions. In addition, with respect to certain countries, there is a possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments, which could adversely affect investments in those countries. Generally, when the U.S. dollar rises in value against a foreign currency, the Fund's investments denominated in that currency will lose value because that currency is worth fewer U.S. dollars; the opposite effect occurs if the U.S. dollar falls in relative value.

Certain countries may also impose substantial restrictions on investments in their capital markets by foreign entities, including restrictions on investments in issuers or industries deemed sensitive to relevant national interests. These factors may limit the investment opportunities available to the Fund or result in a lack of liquidity and high price volatility with respect to securities of issuers from developing countries.

G. Equity-Linked Structured Notes:

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The Fund may invest in equity-linked structured notes. Equity-linked structured notes are securities which are specially designed to combine the characteristics of one or more underlying securities and their equity derivatives in a single note form. The return and/or yield or income component may be based on the performance of the underlying equity securities, and equity index, and/or option positions. Equity-linked structured notes are typically offered in limited transactions by financial institutions in either registered or non-registered form. An investment in equity-linked structured notes creates exposure to the credit risk of the issuing financial institution, as well as to the market risk of the underlying securities. There is no

guaranteed return of principal with these securities and the appreciation potential of these securities may be limited by a maximum payment or call right. In certain cases, equity-linked structured notes may be more volatile and less liquid than less complex securities or other types of fixed-income securities. Such securities may exhibit price behavior that does not correlate with other fixed-income securities.

H. Options:

The Fund may engage in option transactions and in doing so achieve similar objectives to what they would achieve through the sale or purchase of individual securities. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller of the option the obligation to sell, the underlying security, index or other instrument at the exercise price. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the seller the obligation to buy, the underlying security, index, or other instrument at the exercise price.

To seek to offset some of the risk of a potential decline in value of certain long positions, the Fund may also purchase put options on individual securities. The Fund may also seek to generate income from option premiums by writing (selling) options on a portion of the equity securities in the Fund's portfolio.

When a Fund purchases an option, it pays a premium and an amount equal to that premium is recorded as an asset. When a Fund writes an option, it receives a premium and an amount equal to that premium is recorded as a liability. The asset or liability is adjusted daily to reflect the current market value of the option. If an option expires unexercised, the Fund realizes a gain or loss to the extent of the premium received or paid. If an option is exercised, the premium received or paid is recorded as an adjustment to the proceeds from the sale or the cost basis of the purchase. The difference between the premium and the amount received or paid on a closing purchase or sale transaction is also treated as a realized gain or loss. The cost of securities acquired through the exercise of call options is increased by premiums paid. The proceeds from securities sold through the exercise of put options are decreased by the premiums paid. Gain or loss on written options and purchased options is presented separately as net realized gain or loss on written options and net realized gain or loss on purchased options, respectively.

I. Forward Currency Contracts:

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The Fund is subject to foreign currency exchange rate risk in the normal course of pursuing its investment objective. The Fund may use forward currency contracts to gain exposure to or economically hedge against changes in the value of foreign currencies. A forward currency contract (“forward”) is an agreement between two parties to buy and sell a currency at a set price on a future date. The market value of the forward contract fluctuates with changes in forward

Semi-Annual Report (Unaudited) | April 30, 2015 21

Notes to Financial Statements (Continued)
April 30, 2015 (Unaudited)

currency exchange rates. The forward contract is marked-to-market daily and the change in market value is recorded by the Fund as unrealized appreciation or depreciation. When the forward contract is closed, a Fund records a realized gain or loss equal to the fluctuation in value during the period the forward contract was open.

A Fund could be exposed to risk if a counterparty is unable to meet the terms of a forward or if the value of the currency changes unfavorably. The Fund's forward contracts are not subject to a master netting agreement or similar agreement. During the period ended April 30, 2015, the Fund entered into twelve forward contracts.

The following forward contracts were held as of April 30, 2015:

Description	Counterparty	Settlement Date	Currency	Settlement Value	Current Value	Unrealized Gain/(Loss)
Contracts Purchased:						
Euro	State Street Bank and Trust Company	06/25/15	600,000 EUR	\$635,088	\$674,158	\$39,070
Contracts Sold:						
Swiss Franc	State Street Bank and Trust Company	06/25/15	300,000 CHF	\$307,708	\$322,162	\$(14,454)
Swiss Franc	State Street Bank and Trust Company	06/25/15	3,300,000 CHF	3,281,296	3,543,784	(262,488)
Euro	State Street Bank and Trust Company	06/25/15	8,600,000 EUR	10,250,254	9,662,931	587,323
British Pound	State Street Bank and Trust Company	06/25/15	1,000,000 GBP	1,466,460	1,534,453	(67,993)
British Pound	State Street Bank and Trust Company	06/25/15	3,000,000 GBP	4,540,800	4,603,359	(62,559)
Japanese Yen	State Street Bank and Trust Company	06/25/15	370,000,000 JPY	3,130,182	3,100,518	29,664
					\$22,767,207	\$209,493

J. Derivative Instruments and Hedging Activities:

The following tables provide information about the effect of derivatives and hedging activities on the Fund's Statement of Assets and Liabilities and Statement of Operations as of and for the period ended April 30, 2015. The first table provides additional detail about the amounts and sources of unrealized appreciation/(depreciation) on derivatives at the end of the period. The second table provides additional information about the amounts and sources of net realized gain/(loss) and the change in net unrealized appreciation/ (depreciation) resulting from the Fund's derivatives and hedging activities during the period.

The effect of derivative instruments in the Statement of Assets and Liabilities as of April 30, 2015:

	Statement of Assets and Liabilities Location	Unrealized Appreciation/ (Depreciation)
Derivatives		
Equity Contracts	Investments in securities, at value (includes purchased options)	\$20,700
Foreign exchange risk	Unrealized appreciation on forward currency contracts	656,057
Foreign exchange risk	Unrealized depreciation on forward currency contracts	(407,494)
Total		\$269,263

The effect of derivative instruments in the Statement of Operations for the period ended April 30, 2015:

	Statement of Operations Location	Net Realized Gain/(Loss)	Change in Net Unrealized Depreciation
Derivatives			
Equity Contracts	Net realized gain/(loss) from investments/ Change in net unrealized appreciation/(depreciation) on investments	\$(39,181)	\$(53,229)
Foreign exchange risk	Net realized gain/(loss) from foreign currency transactions / Change in net unrealized appreciation/ (depreciation) on foreign currency translations	\$2,736,776	\$(1,475,997)

3. Purchases and Sales of Securities:

Purchases and sales of securities (excluding short-term securities) for the period ended April 30, 2015 are as follows:

Purchases	Sales
\$101,641,151	\$100,053,580

The Fund did not have purchases and sales of U.S. Government Obligations during the period ended April 30, 2015.

Notes to Financial Statements (Continued)
April 30, 2015 (Unaudited)

4. Investment Advisory Agreement, Administration Agreement and Other Affiliated Transactions:

Alpine Woods Capital Investors, LLC (“Alpine Woods”) serves as the Fund’s investment adviser pursuant to an Investment Advisory Agreement with the Fund. As compensation for its services to the Fund, Alpine Woods receives an annual investment advisory fee of 1.00% based on the Fund’s average daily net assets, computed daily and payable monthly.

State Street Bank and Trust Company (“SSBT”) serves as the fund accounting agent and custodian. The custodian is responsible for the safekeeping of the assets of the Fund and the fund accounting agent is responsible for calculating the Fund’s NAV. SSBT, as the Fund’s custodian and fund accounting agent, is paid on the basis of net assets and transaction costs of the Fund. SSBT also serves as the administrator for the Fund. SSBT, as the Fund’s administrator, is paid on the basis of net assets of the Fund.

Boston Financial Data Services, Inc. (“BFDS”) serves as the transfer agent to the Fund. BFDS is paid on the basis of net assets, per account fees and certain transaction costs.

5. Income Tax Information:

Classification of Distributions:

Net investment income/(loss) and net realized gain/(loss) may differ for financial statement and tax purposes. The character of distributions made during the year from net investment income or net realized gains may differ from its ultimate characterization for Federal income tax purposes.

The tax character of the distributions paid by the Fund during the year ended October 31, 2014 were as follows:

Distributions paid from:

Ordinary income	\$9,578,342
Total	\$9,578,342

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Tax components of distributable earnings are determined in accordance with income tax regulations which may differ from the composition of net assets reported under GAAP. Accordingly, for the year ended October 31, 2014, the effects of certain differences were reclassified. The Fund increased undistributed net investment income by \$360,942 and increased accumulated net realized loss by \$(361,003), and increased paid in capital by \$61. These differences were primarily due to the differing tax treatment of foreign currency and certain other investments. Net assets of the Fund were unaffected by the reclassifications and the calculation of net investment income per share in the Financial Highlights excludes these adjustments.

As of October 31, 2014, the Fund utilized \$5,728,408 of capital loss carryovers. As of October 31, 2014 the Fund had available for tax purposes unused capital loss carryovers of \$189,780,740, expiring on October 31, 2016, unused capital loss carryovers of \$106,545,299, expiring October 31, 2017, and unused capital loss carryovers of \$34,184,369, expiring on October 31, 2018.

Under the Regulated Investment Company (“RIC”) Modernization Act of 2010, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term as under previous law. 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 carryovers may be more likely to expire unused.

Capital loss carryovers as of October 31, 2014, with no expiration are as follows:

Short-Term Long-Term

\$9,314,619 \$—

As of October 31, 2014, the components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income	\$250,061
Accumulated capital loss	(339,825,027)
Unrealized appreciation	12,111,735
Total	\$(327,463,231)

As of April 30, 2015, net unrealized appreciation/(depreciation) of investments, excluding foreign currency, based on Federal tax costs was as follows:

Cost of investments	Gross unrealized appreciation	Gross unrealized depreciation	Net unrealized appreciation
\$134,305,172	\$23,298,309	\$(7,359,965)	\$15,938,344

The differences between book and tax net unrealized appreciation and cost were primarily due to deferral of losses from wash sales and to the different tax treatment of certain other investments.

6. Line of Credit:

On December 1, 2010, the Fund entered into a lending agreement with BNP Paribas Prime Brokerage International Ltd. (“BNPP PB”) which allows the Fund to borrow on an uncommitted and secured basis. The terms of the lending agreement indicate the rate to be the Fed Funds rate plus 0.95% per annum on amounts borrowed. The BNP Paribas Facility provides a secured, uncommitted lines of credit for the Fund where selected Fund assets are pledged against advances made to the Fund. The Fund has granted a security interest

Notes to Financial Statements (Continued)
April 30, 2015 (Unaudited)

in all pledged assets used as collateral to the BNPP Facility. The Fund is permitted to borrow up to 33.33% of the total assets for extraordinary or emergency purposes. Additionally, the Fund is permitted to borrow up to 10% of the total assets for investment purposes, but in no event shall outstanding borrowings exceed 33.33% of total assets. On April 30, 2015, the amount available for investment purposes was \$9,637,810. Either BNPP PB or the Fund may terminate this agreement upon delivery of written notice. During the period ended April 30, 2015, the average borrowing by the Fund was \$6,014,377 with an average rate on borrowings of 1.07%. During the period ended April 30, 2015 the maximum borrowing by the Fund was \$14,227,074. Interest expense related to the loan for the period ended April 30, 2015 was \$32,264. As of April 30, 2015 the outstanding loan for the Fund was \$6,499,855. The line of credit outstanding as of April 30, 2015 approximates fair value and would be categorized at Level 2.

7. Reverse Stock Split:

On January 21, 2014, the Fund implemented a 1 for 2 reverse stock split. The net effect of the reverse stock split was to decrease the number of outstanding shares and increase the net asset value per share by a proportionate amount. The reverse stock split had no impact on the overall value of a shareholder's investment in the Fund. Capital share activity referenced in the Statement of Changes in Net Assets and per share and net asset value data in the Financial Highlights have been restated to reflect the reverse stock split.

8. Recent Accounting Pronouncement:

In June 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2014-11 *Transfers and Servicing (Topic 860): Repurchase-to-Maturity Transactions, Repurchase Financings, and Disclosures* to improve the financial reporting of repurchase agreements and other similar transactions. The guidance includes expanded disclosure requirements for entities that enter into repurchase agreements or securities lending transactions. The guidance is effective for financial statements with fiscal years beginning on or after January 1, 2015, and interim periods within those fiscal years. Management is evaluating the impact, if any, of this guidance on the Fund's financial statement disclosures.

9. Subsequent Events:

Distributions: The Fund paid a distribution of \$819,200 or \$0.065 per common share on May 29, 2015 to common shareholders of record on May 21, 2015. The Fund will also pay a distribution of \$818,713 or \$0.065 per common share payable on June 30, 2015 to common shareholders of record on June 23, 2015.

Additional Information
April 30, 2015 (Unaudited)

Dividend Reinvestment Plan

Unless the registered owner of common shares elects to receive cash by contacting Boston Financial Data Services, Inc. (the “Plan Administrator”), all dividends or other distributions (together, “Dividends” and each, a “Dividend”) declared on common shares will be automatically reinvested by the Plan Administrator for shareholders in the Fund’s Dividend Reinvestment Plan (the “Plan”), in additional common shares of the Fund. Shareholders who are not permitted to participate through their broker or nominee or who elect not to participate in the Plan will receive all Dividends in cash paid by check mailed directly to the shareholder of record (or, if the common shares are held in street or other nominee name, then to such nominee) by the Plan Administrator, as dividend disbursing agent. You may elect not to participate in the Plan and to receive all Dividends in cash by contacting the Plan Administrator, as dividend disbursing agent, at the address set forth below. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Plan Administrator prior to the dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared Dividend. If you hold your shares through a broker, and you wish for all Dividends declared on your common shares to be automatically reinvested pursuant to the Plan, please contact your broker.

The Plan Administrator will open an account for each shareholder under the Plan in the same name in which such shareholder’s common shares are registered. Whenever the Fund declares a Dividend payable in cash, non-participants in the Plan will receive cash and participants in the Plan will receive the equivalent in common shares. The common shares will be acquired by the Plan Administrator for the participants’ accounts, depending upon the circumstances described below, either (i) through receipt of additional unissued but authorized common shares from the Fund (“Newly Issued common shares”) or (ii) by purchase of outstanding common shares on the open market (“Open-Market Purchases”) on the NYSE or elsewhere. If, on the payment date for any Dividend, the closing market price plus estimated brokerage commissions per share is equal to or greater than the NAV per share, the Plan Administrator will invest the Dividend amount in Newly Issued common shares on behalf of the participants. The number of Newly Issued common shares to be credited to each participant’s account will be determined by dividing the dollar amount of the Dividend by the NAV per share on the payment date; provided that, if the NAV is less than or equal to 95% of the closing market value on the payment date, the dollar amount of the Dividend will be divided by 95% of the closing market price per share on the payment date. If, on the payment date for any Dividend, the NAV per share is greater than the closing market value plus estimated brokerage commissions, the Plan Administrator will invest the Dividend amount in common shares acquired on behalf of the participants in Open-Market Purchases.

In the event of a market discount on the payment date for any Dividend, the Plan Administrator will have until the last business day before the next date on which the common shares trade on an “ex-dividend” basis or 30 days after the payment date for such Dividend, whichever is sooner (the “Last Purchase Date”), to invest the Dividend amount in common shares acquired in Open-Market Purchases. If, before the Plan Administrator has completed its Open-Market Purchases, the market price per share exceeds the NAV per share, the average per share purchase price paid by the Plan Administrator may exceed the NAV of the common shares, resulting in the acquisition of fewer common shares than if the Dividend had been paid in Newly Issued common shares on the Dividend payment date. Because of the foregoing difficulty with respect to Open-Market Purchases, the Plan provides that if the Plan Administrator is unable to invest the full Dividend amount in Open-Market Purchases during the purchase period or if the market discount shifts to a market premium during the purchase period, the Plan Administrator may cease making Open-Market Purchases and may invest the uninvested portion of the Dividend amount in Newly Issued common shares at the NAV

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per share at the close of business on the Last Purchase Date provided that, if the NAV is less than or equal to 95% of the then current market price per share, the dollar amount of the Dividend will be divided by 95% of the market price on the payment date for purposes of determining the number of shares issuable under the Plan.