

SECURITIES AND EXCHANGE COMMISSION

FORM 497

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NUVEEN MULTISTATE TAX FREE TRUST

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Nuveen Multistate Tax-Free Trust
Supplement to Prospectus dated May 31, 1996
August 26, 1996

NUVEEN ARIZONA TAX-FREE VALUE FUND NUVEEN NEW JERSEY TAX-FREE VALUE FUND
NUVEEN FLORIDA TAX-FREE VALUE FUND NUVEEN PENNSYLVANIA TAX-FREE VALUE FUND
NUVEEN MARYLAND TAX-FREE VALUE FUND NUVEEN VIRGINIA TAX-FREE VALUE FUND
NUVEEN MICHIGAN TAX-FREE VALUE FUND

The John Nuveen Company, the parent of John Nuveen & Co. Incorporated and Nuveen Advisory Corp., respectively the distributor and investment adviser of your Fund, has entered into an agreement pursuant to which Flagship Resources Inc. will merge its business into Nuveen's mutual fund business. Flagship is a highly regarded mutual fund sponsor and manager based in Dayton, Ohio, that has specialized, like Nuveen, in municipal bond funds. Flagship has 27 municipal mutual funds and over \$4 billion in assets under management. We plan to merge Flagship's portfolio management, sales and service operations with Nuveen's corresponding divisions. This agreement is subject to the approval of the shareholders of the Flagship Funds.

As part of the consolidation of Flagship into Nuveen, the Board of Trustees of the Nuveen Multistate Tax-Free Trust has determined that it is in the best interest of the Arizona, Florida, Michigan, New Jersey, Pennsylvania and Virginia Funds to be reorganized and combined with Flagship's existing Arizona, Florida, Michigan, New Jersey, Pennsylvania and Virginia Funds after those funds have become part of the Nuveen Fund family. These combinations are scheduled to become effective early next year. In each of these combinations, the investment objectives of your Nuveen Fund will remain the same, and its investment policies will be similar but modified slightly to provide the Fund's portfolio managers with greater flexibility. Each of these combinations is expected to result in a larger fund with lower operating expenses as a result of increased fund administrative and operational efficiencies, among other benefits. Each of these combinations is subject to the approval of the shareholders of both the affected Nuveen and Flagship Funds at a shareholder meeting to be held November 14, 1996.

Several weeks from now you will receive a proxy statement relating to that shareholder meeting. Shareholders of the six Nuveen Funds proposed to be combined with their Flagship counterparts will receive a proxy statement describing the combinations in more detail and giving those shareholders the opportunity to vote on the transaction. Shareholders of the Maryland Fund will be provided a separate proxy statement and asked to vote on certain matters in connection with the consolidation of the two fund families, including changing some of the Fund's investment policies to provide the portfolio managers with greater flexibility and reorganizing your Fund into a Massachusetts business

trust along with a different set of other funds, which changes will permit your Fund to be operated in a more efficient manner and enhance your convenience.

Finally, a change in terms of the Class C Shares is also being proposed for shareholder approval. For those Funds that are combining with their Flagship counterparts, this change will be part of a single vote to approve the combination. Currently, Class C Shares bear an annual service fee of .25% and an annual distribution fee of .75%; and Class C Shares automatically convert six years after purchase to Class A Shares, which bear the service fee but not the distribution fee, thus lowering ongoing expenses. The Board has approved a revised distribution plan for Class C Shares which, subject to shareholder approval, would reduce the annual service fee to .20% and reduce the annual distribution fee to .55%, while discontinuing the automatic conversion of Class C Shares to Class A Shares. These changes would affect both currently existing as well as newly purchased shares. Purchasers of Class C Shares should be aware that, if this proposal receives shareholder approval, their Class C Shares would not convert after six years into Class A Shares as described in the Prospectus dated May 31, 1996, while the annual service and distribution fees would be reduced as described above.