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BOULDER TOTAL RETURN FUND INC  
Form DEF 14A  
March 20, 2003

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934

Filed by Registrant [ X ]

Filed by a Party other than the Registrant [ ] Check the appropriate box:

- [ ] Preliminary Proxy Statement
- [ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- [ X ] Definitive Proxy Statement
- [ ] Definitive Additional Materials
- [ ] Soliciting Material Pursuant to Sec. 240.14a-11(c) or Sec. 240.14a-12

BOULDER TOTAL RETURN FUND, INC.  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

[ X ] No fee required.

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

[ ] Fee paid previously with preliminary materials.

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- 1) Amount Previously Paid:
- 2) Form, Schedule or Registration Statement No.:
- 3) Filing Party:
- 4) Date Filed:

BOULDER TOTAL RETURN FUND, INC.  
1680 38TH STREET, SUITE 800

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BOULDER, COLORADO 80301

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
To Be Held on April 22, 2003

To the Shareholders:

Notice is hereby given that the Annual Meeting of Shareholders of Boulder Total Return Fund, Inc. (the "Fund"), a Maryland corporation, will be held at the Doubletree La Posada Resort, 4949 E. Lincoln Dr., Scottsdale, Arizona at 9:00 a.m. Mountain Standard Time, on April 22, 2003, for the following purposes:

1. To elect one (1) Director of the Fund (Proposal 1).
2. To transact such other business as may properly come before the Meeting or any adjournments thereof.

The Board of Directors of the Fund has fixed the close of business on February 28, 2003 as the record date for the determination of shareholders of the Fund entitled to notice of and to vote at the Annual Meeting.

By Order of the Board of Directors,  
/s/ Stephanie Kelley  
STEPHANIE KELLEY  
Secretary

March 20, 2003

-----  
SHAREHOLDERS WHO DO NOT EXPECT TO ATTEND THE ANNUAL MEETING ARE REQUESTED TO COMPLETE, SIGN AND DATE THE ENCLOSED PROXY CARD. THE PROXY CARD SHOULD BE RETURNED IN THE ENCLOSED ENVELOPE, WHICH NEEDS NO POSTAGE IF MAILED IN THE CONTINENTAL UNITED STATES. INSTRUCTIONS FOR THE PROPER EXECUTION OF PROXIES ARE SET FORTH ON THE INSIDE COVER.  
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INSTRUCTIONS FOR SIGNING PROXY CARDS

The following general rules for signing proxy cards may be of assistance to you and may avoid the time and expense to the Fund involved in validating your vote if you fail to sign your proxy card properly.

1. Individual Accounts: Sign your name exactly as it appears in the registration on the proxy card.

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2. Joint Accounts: Either party may sign, but the name of the party signing should conform exactly to a name shown in the registration.

3. All Other Accounts: The capacity of the individual signing the proxy card should be indicated unless it is reflected in the form of registration. For example:

| Registration   | Valid Signature            |
|--|----------------------------|
| Corporate Accounts   |                            |
| (1) ABC Corp.  | ABC Corp.                  |
| (2) ABC Corp.  | John Doe, Treasurer        |
| (3) ABC Corp., c/o John Doe Treasurer                      | John Doe                   |
| (4) ABC Corp. Profit Sharing Plan                          | John Doe, Trustee          |
| Trust Accounts   |                            |
| (1) ABC Trust  | Jane B. Doe, Trustee       |
| (2) Jane B. Doe, Trustee, u/t/d 12/28/78                   | Jane B. Doe                |
| Custodian or Estate Accounts                               |                            |
| (1) John B. Smith, Cust.,<br>f/b/o John B. Smith, Jr. UGMA | John B. Smith              |
| (2) John B. Smith  | John B. Smith, Jr., Execut |

BOULDER TOTAL RETURN FUND, INC.  
1680 38TH STREET, SUITE 800  
BOULDER, COLORADO 80301

ANNUAL MEETING OF SHAREHOLDERS  
April 26, 2002

PROXY STATEMENT

This proxy statement ("Proxy Statement") for Boulder Total Return Fund, Inc. ("BTF" or the "Fund") is furnished in connection with the solicitation of proxies by the Fund's Board of Directors (collectively, the "Board" and individually, the "Directors") for use at the Annual Meeting of Shareholders of the Fund to be held on Tuesday, April 22, 2003, at 9:00 a.m. Mountain Standard Time, at the Doubletree La Posada Resort, 4949 E. Lincoln Dr., Scottsdale, Arizona, and at any adjournments thereof (the "Meeting"). A Notice of Annual Meeting of Shareholders and proxy card for the Fund accompany this Proxy Statement. Proxy solicitations will be made, beginning on or about March 20, 2003, primarily by mail, but proxy solicitations may also be made by telephone, on the Fund's web site, telegraph or personal interviews conducted by officers of the Fund and PFPC Inc. ("PFPC"), the transfer agent and co-administrator of the Fund. The costs of proxy solicitation and expenses incurred in connection with the preparation of this Proxy Statement and its enclosures will be paid by the Fund. The Fund also will reimburse brokerage firms and others for their expenses in forwarding solicitation material to the beneficial owners of its

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shares.

The Annual Report of the Fund, including audited financial statements for the fiscal year ended November 30, 2002, has been mailed to shareholders. Additional copies are available upon request, without charge, by calling 1-800-331-1710. The report is also viewable online at the Fund's website at [www.boulderfunds.net](http://www.boulderfunds.net). The report is not to be regarded as proxy solicitation material.

Boulder Investment Advisers, L.L.C., 1680 38th Street, Suite 800, Boulder, Colorado 80301, and Stewart Investment Advisers, Bellerive, Queen Street, St. Peter, Barbados currently serve as co-investment advisers to the Fund. PFPC Inc. acts as the transfer agent and administrator to the Fund and is located at 101 Federal Street, Boston, Massachusetts 02110. Fund Administrative Services, L.L.C., serves as co-administrator to the Fund and is located at 1680 38th Street, Suite 800, Boulder, Colorado 80301.

If the enclosed proxy is properly executed and returned by April 22, 2003 in time to be voted at the Meeting, the Shares (as defined below) represented thereby will be voted in accordance with the instructions marked thereon. Unless instructions to the contrary are marked thereon, a proxy will be voted FOR the election of the nominee for Director and FOR any other matters that may properly come before the Meeting and that are deemed appropriate. Any shareholder who has given a proxy has the right to revoke it at any time prior to its exercise either by attending the Meeting and voting his or her Shares in person or by submitting a letter of revocation or a later-dated proxy to the Fund at the above address prior to the date of the Meeting.

A quorum of the Fund's shareholders is required to properly conduct the business of the Meeting. Under the By-Laws of the Fund, a quorum is constituted by the presence in person or by proxy of the holders of a majority of the outstanding shares of the Fund entitled to vote at the Meeting. Since the proposal is to be voted upon by only one class of the Fund's shares, a quorum of that class of shares must be present at the Meeting in order for the proposal to be considered. In the event that a quorum is not present at the Meeting, or in the event that a quorum is present but sufficient votes to approve the proposal are not received, the persons named as proxies may propose one or more adjournments of the Meeting to permit further solicitation of proxies. Any such adjournment will require the affirmative vote of a majority of those shares represented at the Meeting in person or by proxy. If a quorum is present, the persons named as proxies will vote those proxies which they are entitled to vote FOR any proposal in favor of such an adjournment and will vote those proxies required to be voted AGAINST any proposal against any such adjournment.

The Fund has two classes of capital stock: common stock, par value \$0.01 per share (the "Common Stock") and Auction Market Preferred Stock, par value \$0.01 per share ("AMPs", together with the Common Stock, the "Shares"). On the record date, February 28, 2003, the following number of Shares of the Fund were issued and outstanding:

|              |             |
|--------------|-------------|
| Common Stock | AMPs        |
| Outstanding  | Outstanding |
| -----        | -----       |
| 9,416,743    | 775         |

The only proposal expected to be considered at the Meeting is the election on one Director to be voted on exclusively by holders of AMPs. In order

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that your AMPs may be represented at the Meeting, you are requested to vote on the following matter:

### PROPOSAL 1: ELECTION OF DIRECTORS

The Board of Directors is divided into three classes, each class having a term of three years. Each year the term of one class expires and the successor or successors elected to such class will serve for a three-year term. The first proposal to be considered at the Meeting is the election of one (1) Director of the Fund as follows:

- Alfred G. Aldridge, Jr., Class III Director of the Fund, is being nominated for a single three year term to expire at the Fund's 2006 Annual Meeting of Shareholders or until his successor is duly elected and qualified.

Richard I. Barr and Stephen C. Miller, Class II Directors of the Fund, were elected on April 26, 2002 for three year terms to expire at the Fund's 2005 Annual Meeting of Shareholders or until their successors are duly elected and qualified. Joel W. Looney, a Class I Director of the Fund, was elected on April 27, 2001 for a three year term to expire at the Fund's 2004 Annual Meeting of Shareholders or until his successor is duly elected and qualified. Susan L. Ciciora, a Class I Director of the Fund, was elected on April 26, 2002 for a two year term to expire at the Fund's 2004 Annual Meeting of Shareholders or until her successor is duly elected and qualified.

The nominee has consented to serve as Director if elected at the Meeting. If the nominee declines or otherwise becomes unavailable for election, however, the proxy confers discretionary power on the persons named therein to vote in favor of a substitute nominee.

Under the Fund's Articles of Incorporation, Articles Supplementary and the Investment Company Act of 1940, as amended (the "1940 Act"), holders of the AMPs, voting as a single class, are entitled to elect two Directors, and holders of the Common Stock will be entitled to elect the remaining Directors, subject to the provisions of the 1940 Act and the Fund's Articles of Incorporation, which permit the holders of the AMPs, when dividends are in arrears for two full years, to elect the minimum number of additional Directors that when combined with the two Directors elected by the holders of the AMPs would give the holders of the AMPs a majority of the Directors (Dividends are not in arrears). Messrs. Aldridge and Barr were previously nominated (and elected) to represent holders of the AMPs. A quorum of the AMPs shareholders must be present at the Meeting of the Fund in order for the proposal to elect Mr. Aldridge to be considered and acted upon. Accordingly, only the AMPs shareholders are entitled to vote on the election of Mr. Aldridge.

Security Ownership of Certain Beneficial Owners. The following table sets forth certain information regarding the beneficial ownership of the Fund's shares as of February 28, 2003 by each person who is known by the Fund to beneficially own 5% or more of the Fund's Common Stock. To the Fund's knowledge, there are no 5% or greater beneficial owners of the AMPs.

| Name of Owner* | Number of Shares<br>Directly Owned (1) | Number of Shares<br>Beneficially Owned (2) |
|----------------|--|--|
|----------------|--|--|

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|  |           |           |
|--|-----------|-----------|
| Badlands Trust Company (1)(3)                                      | 12,735    | 3,939,735 |
| Stewart R. Horejsi Trust No. 2 (4)                                 | 0         | 3,939,735 |
| Ernest Horejsi Trust No. 1B (1)                                    | 2,462,353 | 2,462,353 |
| Lola Brown Trust No. 1B (1)  | 1,027,886 | 1,027,886 |
| Evergreen Atlantic LLC (1)   | 257,811   | 257,811   |
| Stewart West Indies Trust (1)(2)                                   | 78,470    | 191,907   |
| Susan L. Ciciora Trust (1)(2)                                      | 54,132    | 131,475   |
| John S. Horejsi Trust (1)(2)                                       | 27,075    | 65,747    |
| Evergreen Trust (1)(2)   | 19,273    | 47,632    |
| Aggregate Shares Owned by Horejsi<br>Affiliates (defined below) ** | 3,939,735 | 3,939,735 |
| Alter Asset Management, Inc.***                                    | 1,616,745 | 1,616,745 |

Information as to beneficial ownership in the above table and previous footnotes has been obtained from a representative of the beneficial owners; all other information as to beneficial ownership is based on reports filed with the Securities and Exchange Commission (the "SEC") by such beneficial owners.

As of February 28, 2003, Cede & Co., a nominee partnership of the Depository Trust Company, held of record, but not beneficially, 9,337,951 shares or 99.2% of Common Stock outstanding and 775 shares or 100% of AMPs outstanding of the Fund.

As of February 28, 2003, the executive officers and directors of the Fund, as a group, owned 3,962,191 Common Shares (this amount includes the aggregate shares of Common Stock owned by the Horejsi Affiliates set forth above) and 0 shares of AMPs of the Fund, representing 42.08% of Common Shares and 0% of AMPs.

INFORMATION ABOUT DIRECTORS AND OFFICERS. Set forth in the following table is information about the nominee for election to the Board of Directors and the existing Directors of the Fund.

| Name, Address*, Age                             | Position, Length of<br>Term Served, and Term<br>of Office | Principal Occupation(s) and Other Di<br>held<br>During the Past Five Years |
|---|---|--|
| Independent Directors                           |   |  |
| Alfred G. Aldridge, Jr.<br>Brig. Gen. (Retired) | Director of the Fund<br>since 1999. Current               | Retired; from 1982-2002, Sales<br>Shamrock Foods Company; Director o       |

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|                                    |   |  |
|------------------------------------|---|--|
| Cal. Air National Guard<br>Age: 65 | Nominee for Director for a term to expire at the 2006 annual meeting.             | Bowl, Tempe, AZ since 1997; Director, Growth & Income Fund, Inc., since 2002   |
| Richard I. Barr<br>Age: 64         | Director of the Fund since 1999. Current term expires at the 2005 annual meeting. | Retired; from 1963-2001, Manager Sales and Marketing, Inc; Director, Growth & Income Fund, Inc., since 2002; Director, Financial Fund, Inc., since 2001.   |
| Joel W. Looney<br>Age: 41          | Director of the Fund since 2001. Current term expires at the 2004 annual meeting. | Partner, Financial Management Group since July 1999; CFO, Bethany College from July 1999; Director, Boulder Growth & Income Fund, Inc. since January 2002. |

Interested Directors\*\*

|                              |  |  |
|------------------------------|--|--|
| Susan L. Ciciora<br>Age: 39  | Director of the Fund since 2001. Current term expires at 2004 annual meeting.                                      | Owner, Superior Interiors (interior custom homes) since 1995; Corporate Director, Ciciora Custom Builders, LLC since 1995; Trustee of the Brown Trust and the EH Trust since 2002; Director, Boulder Growth & Income Fund, Inc., since 2002.   |
| Stephen C. Miller<br>Age: 50 | Director and Chairman of the Board since 1999. President of the Fund. Current term expires at 2005 annual meeting. | President of and General Counsel of Investment Advisers, LLC ("BIA"); Managing Director, Administrative Services, LLC ("FAS"); President of Stewart Investment Advisers, LLC; Director, Chairman of the Board and President of Boulder Growth & Income Fund, Inc., since 2002; President and General Counsel, Horejsi Trust (liquidated in 1999); General Counsel, Horejsi Supply, LLC (sold in 1999); officer of other Horejsi Affiliates.; Of Counsel, Horejsi Miller, LLC since 1991. |

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From the late 1980's until January, 2001, Mr. Looney had served, without compensation, as one of three trustees of the Mildred Horejsi Trust, an affiliate of the EH Trust.

The names of the executive officers of the Fund (other than Mr. Miller, who is described above) are listed in the table below. Each officer was elected to office by the Board at a meeting held on April 26, 2002. This table also shows certain additional information. Each officer will hold such office until a successor has been elected by the Board of Directors of the Fund.

| Name, Address, Age | Position, Length of Term Served, and Term of Office During the Past Five Years | Principal Occupation(s) and Other Directorships |
|--------------------|--|---|
|--------------------|--|---|

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Carl D. Johns  
1680 38th Street,  
Suite 800  
Boulder, CO 80301  
Age: 40

Chief Financial Officer,  
Chief Accounting  
Officer, Vice President  
and Treasurer since  
1999. Appointed  
annually.

Vice President and Treasurer of B  
Manager of FAS, since April, 1999; Vice  
Financial Officer and Chief Accounting  
Growth & Income Fund, Inc., since 2  
1998; Assistant Treasurer of Preferred  
Fund Incorporated, Preferred Income  
and Preferred Income Opportunity Fund  
to December 1998.

Stephanie Kelley  
1680 38th Street,  
Suite 800  
Boulder, CO 80301  
Age: 46

Secretary since 2000.  
Appointed annually.

Secretary, Boulder Growth & Income F  
2002; Assistant Secretary and Assis  
various Horejsi Affiliates; employee  
1999.

Set forth in the following table is the nominee for election to the Board as well as the other Directors of the Fund, together with the dollar range of equity securities beneficially owned by each Director and the nominee in the Fund as of February 28, 2003, as well as the aggregate dollar range of equity securities in all funds overseen or to be overseen in a family of investment companies (i.e., other funds managed by BIA and SIA (collectively, the "Advisers").

### OWNERSHIP OF THE FUND BY DIRECTORS

| Directors and Nominees            | Dollar Range of Equity Securities in the Fund | Aggregate Dollar Range of Equity Securities in All in the Family of Investment Companies |
|-----------------------------------|---|--|
| <hr/>                             |   |  |
| Independent Directors and Nominee |   |  |
| <hr/>                             |   |  |
| Alfred G. Aldridge, Jr.           | \$10,001 to \$50,000                          | \$10,001 to \$50,000   |
| Richard I. Barr                   | Over \$100,000                                | Over \$100,000   |
| Joel W. Looney                    | \$10,001 to \$50,000                          | \$10,001 to \$50,000   |
| Interested Directors              |   |  |
| <hr/>                             |   |  |
| Susan L. Ciciora                  | Over \$100,000+                               | Over \$100,000   |
| Stephen C. Miller                 | Over \$100,000++                              | Over \$100,000   |
| <hr/>                             |   |  |

None of the independent Directors or their family members owned beneficially or of record any securities of the advisers or any person directly or indirectly controlling, controlled by, or under common control with the advisers.

DIRECTOR COMPENSATION. The following table sets forth certain information regarding the compensation of the Fund's Directors for the fiscal



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year ended November 30, 2002. No persons (other than the independent Directors, as set forth below) currently receive compensation from the Fund for acting as a Director or officer. Directors and executive officers of the Fund do not receive pension or retirement benefits from the Fund. Directors receive reimbursement for travel and other out of pocket expenses incurred in connection with Board meetings.

| Name of Person and<br>Position with the Fund                                       | Aggregate Compensation<br>from the Fund Paid to Directors | Total Compensation fr<br>and Fund Complex Paid |
|--|---|--|
| Alfred G. Aldridge, Jr., Director  | \$23,500  | \$ 37,000 (2 funds)                            |
| Richard I. Barr, Director  | \$23,500  | \$ 36,500 (2 funds)                            |
| Joel W. Looney, Director   | \$23,500  | \$ 37,000 (2 funds)                            |
| Susan L. Ciciora, Director   | \$0   | \$0  |
| Stephen C. Miller, President of the<br>Fund, Chairman of the Board and<br>Director | \$0   | \$0  |

Prior to January 28, 2002, each Director of the Fund who was not a Director, officer or employee of one of the Advisers, or any of their affiliates, received a fee of \$6,000 per annum plus \$4,000 for each in-person meeting, and \$1,000 for each telephone meeting. As of January 28, 2002, the Board of Directors reduced the fee for telephonic meetings to \$500 for each meeting. Each Director of the Fund is reimbursed for travel and out-of-pocket expenses associated with attending Board and Committee meetings. The Board of Directors of the Fund held five meetings during the fiscal year ended November 30, 2002. Each Director currently serving in such capacity attended at least 75% of the meetings of Directors and any Committee of which he is a member. The aggregate remuneration paid to the Directors of the Fund for acting as such during the fiscal year ended November 30, 2002 amounted to \$70,500.

### COMMITTEES OF THE BOARD OF DIRECTORS

**AUDIT COMMITTEE; REPORT OF AUDIT COMMITTEE.** The Audit Committee reviews the scope and results of the Fund's annual audit with the Fund's independent accountants and recommends the engagement of such accountants. Management, however, is responsible for the preparation, presentation and integrity of the Fund's financial statements, and the independent accountants are responsible for planning and carrying out proper audits and reviews. The Board of Directors adopted a written charter for the Audit Committee on January 21, 2000. A copy of the Audit Committee Charter was incorporated in the proxy statement filed for the shareholder meeting held April 27, 2001. The Audit Committee met three times during the fiscal year ended November 30, 2001.

In connection with the audited financial statements as of and for the year ended November 30, 2002 included in the Fund's Annual Report for the year ended November 30, 2002 (the "Annual Report"), at a meeting held on January 21, 2003, the Audit Committee considered and discussed the audited financial statements with management and the independent accountants, and discussed the

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audit of such financial statements with the independent accountants.

The Audit Committee has received the written disclosures and letter from the independent accountants required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees) and has discussed with independent accountants their independence.

The members of the Audit Committee are not professionally engaged in the practice of auditing or accounting and are not employed by the Fund for accounting, financial management or internal control. Moreover, the Audit Committee relies on and makes no independent verification of the facts presented to it or representations made by management or the independent accountants. Accordingly, the Audit Committee's oversight does not provide an independent basis to determine that management has maintained appropriate accounting and

financial reporting principles and policies, or internal controls and procedures, designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit Committee's considerations and discussions referred to above do not provide assurance that the audit of the Fund's financial statements has been carried out in accordance with generally accepted accounting standards or that the financial statements are presented in accordance with generally accepted accounting principles.

Based on its consideration of the audited financial statements and the discussions referred to above with management and the independent accountants and subject to the limitation on the responsibilities and role of the Audit Committee set forth in the Charter and those discussed above, the Audit Committee of the Fund recommended to the Board of Directors of the Fund that the audited financial statements be included in the Fund's Annual Report and be mailed to shareholders and filed with the SEC.

Submitted by the Audit Committee of the Fund's Board of Directors:

Alfred G. Aldridge, Jr.  
Richard I. Barr  
Joel W. Looney

INDEPENDENT ACCOUNTANTS. On January 21, 2003, the Audit Committee of the Board, consisting of those Directors who are not "interested persons" (as defined in the 1940 Act) selected KPMG LLP ("KPMG"), 99 High Street, Boston, Massachusetts 02110-2371, as independent accountants for the Fund for the Fund's fiscal year ending November 30, 2003. The selection of KPMG was ratified by the entire Board. KPMG also served as independent accountants for the Fund for the Fund's fiscal year ending November 30, 2002. A representative of KPMG will not be present at the Meeting but will be available by telephone and will have an opportunity to make a statement if the representative so desires and will be available to respond to appropriate questions.

KPMG has informed the Fund that it has no direct or indirect financial interest in the Fund. The Horejsi Affiliates have engaged KPMG from time to time in the past to provide various accounting, auditing and consulting services.

Set forth below are audit fees and non-audit related fees billed to the Fund for professional services received from KPMG for the Fund's fiscal year ended November 30, 2002. For the 12 months ended November 30, 2002, the Horejsi Affiliates paid \$0 to KPMG for their services.

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| Audit Fees | Financial Information Systems<br>Design and Implementation Fees | All Other Fees |
|------------|---|----------------|
| \$31,000   | \$ 0  | \$ 0           |

The Audit Committee has considered and concluded that the provision of non-audit services is compatible with maintaining the auditors' independence. The Audit Committee is composed entirely of the Fund's independent Directors, consisting of Messrs. Aldridge, Barr and Looney.

NOMINATING COMMITTEE. The Board of Directors has a Nominating Committee consisting of Messrs. Looney, Aldridge and Barr which is responsible for considering candidates for election to the Board of Directors of the Fund in the event a position is vacated or created. The Nominating Committee would consider recommendations by shareholders if a vacancy were to exist. Such recommendations should be forwarded to the Secretary of the Fund. The Nominating Committee of the Fund did not meet during the fiscal year ended November 30, 2002. The Fund does not have a compensation committee.

REQUIRED VOTE. Election of Mr. Aldridge for Director of the Fund will require the affirmative vote of a plurality of the votes of AMPs cast at the Meeting in person or by proxy on Proposal 1.

THE BOARD OF DIRECTORS, INCLUDING ALL OF THE NON-INTERESTED DIRECTORS, RECOMMENDS THAT THE AMPs SHAREHOLDERS VOTE "FOR" THE ELECTION OF MR. ALDRIDGE.

### SUBMISSION OF SHAREHOLDER PROPOSALS

All proposals by shareholders of the Fund that are intended to be presented at the Fund's next Annual Meeting of Shareholders to be held in 2004 must be received by the Fund for consideration for inclusion in the Fund's proxy statement relating to the meeting no later than November 19, 2003. Shareholder proposals, including any accompanying supporting statement, may not exceed 500 words. A shareholder desiring to submit a proposal must be a record or beneficial owner of Shares with a market value of \$2,000 and must have held such Shares for at least one year. Further, the shareholder must continue to hold such Shares through the date on which the meeting is held. Documentary support regarding the foregoing must be provided along with the proposal. There are additional requirements regarding proposals of shareholders, and a shareholder contemplating submission of a proposal is referred to Rule 14a-8 promulgated under the 1934 Act. The timely submission of a proposal does not guarantee its inclusion in the Fund's proxy materials.

### ADDITIONAL INFORMATION

Compliance with Section 16(a) of the Securities Exchange Act of 1934. Section 16(a) of the 1934 Act and Section 30(h) of the 1940 Act requires the Fund's Directors and officers, persons affiliated with the Fund's investment advisers, and persons who own more than 10% of a registered class of the Fund's securities, to file reports of ownership and changes of ownership with the SEC and the New York Stock Exchange. Directors, officers and greater-than-10%

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shareholders are required by SEC regulations to furnish the Fund with copies of all Section 16(a) forms they file. Based solely upon the Fund's review of the copies of such forms it receives and written representations from such persons, the Fund believes that through the date hereof all such filing requirements applicable to such persons were complied with.

Broker Non-Votes and Abstentions. A proxy which is properly executed and returned accompanied by instructions to withhold authority to vote represents a broker "non-vote" (i.e., shares held by brokers or nominees as to which (i) instructions have not been received from the beneficial owners or the persons entitled to vote and (ii) the broker or nominee does not have discretionary voting power on a particular matter). Proxies that reflect abstentions or broker non-votes (collectively "abstentions") will be counted as shares that are present and entitled to vote on the matter for purposes of determining the presence of a quorum. Under Maryland law, abstentions do not constitute a vote "for" or "against" a matter and will be disregarded in determining the "votes cast" on an issue.

OTHER MATTERS TO COME BEFORE THE MEETING

The Fund does not intend to present any other business at the Meeting, nor are they aware that any shareholder intends to do so. If, however, any other matters are properly brought before the Meeting, the persons named in the accompanying form of proxy will vote thereon in accordance with their judgment.

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IT IS IMPORTANT THAT PROXIES BE RETURNED PROMPTLY. SHAREHOLDERS WHO DO NOT EXPECT TO ATTEND THE MEETING ARE THEREFORE URGED TO COMPLETE, SIGN, DATE AND RETURN ALL PROXY CARDS AS SOON AS POSSIBLE IN THE ENCLOSED POSTAGE-PAID ENVELOPE.  
-----

PROXY

BOULDER TOTAL RETURN FUND, INC.

PROXY SOLICITED BY THE BOARD OF DIRECTORS

The undersigned holder of shares of Auction Market Preferred Stock ("AMPs") of Boulder Total Return Fund, Inc., a Maryland corporation (the "Fund"), hereby appoints Stephen C. Miller, Carl D. Johns, and Thomas N. Calabria, attorneys-in-fact and proxies for the undersigned, with full powers of substitution and revocation, to represent the undersigned and to vote on behalf of the undersigned all shares of AMPs, which the undersigned is entitled to vote at the Annual Meeting of Shareholders of the Fund to be held at the Doubletree La Posada Resort, 4949 E. Lincoln Dr., Scottsdale, Arizona at 9:00 a.m. Mountain Standard Time, on April 22, 2003, and any adjournments thereof. The undersigned hereby acknowledges receipt of the Notice of Annual Meeting and Proxy Statement and hereby instructs said attorneys-in-fact and proxies to vote said shares as indicated hereon. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Meeting. A majority of the

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proxies present and acting at the Annual Meeting in person or by substitute (or, if only one shall be so present, then that one) shall have and may exercise all of the power and authority of said proxies hereunder. The undersigned hereby revokes any proxy previously given.

CONTINUED AND TO BE SIGNED ON REVERSE SIDE

Please indicate your vote by an "X" in the appropriate box below.

This proxy, if properly executed, will be voted in the manner directed by the undersigned shareholder. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR proposal 1. The Board of Directors recommends that the AMPs shareholders vote "FOR" approval of Proposal No. 1.

1. Election of Director.

Nominee: Alfred G. Aldridge, Jr.

FOR \_\_\_\_\_

WITHHELD \_\_\_\_\_

MARK HERE FOR ADDRESS CHANGE AND NOTE AT LEFT \_\_\_\_\_

PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE.

NOTE: Please sign exactly as your name appears on this Proxy. If joint owners, EITHER may sign this Proxy. When signing as attorney, executor, administrator, trustee, guardian or corporate officer, please give your full title.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_