

ACM
GOVERNMENT
SPECTRUM
FUND



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SPECTRUM
FUND**

10,000,000 SHARES



A SPECTRUM OF FEATURES AND BENEFITS

Managing Underwriters:	PaineWebber Incorporated Donaldson, Lufkin & Jenrette Securities Corporation Smith Barney, Harris Upham & Co. Incorporated Thomson McKinnon Securities Inc. Advest, Inc. Robert W. Baird & Co. Incorporated Dain Bosworth Incorporated Johnson, Lane, Space, Smith & Co., Inc. Legg Mason Wood Walker Incorporated
Investment Objective:	High current income consistent with the preservation of capital. The Fund will invest principally in obligations issued or guaranteed by the U.S. Government, the most credit-worthy investments available, and may invest up to 35 percent of its total assets in the securities of politically and economically stable foreign governments.
Type of Offering:	A newly organized, non-diversified initial public offering of a closed-end fund.
Anticipated Annual Distribution Rate:	10%, assuming current market conditions. The average annual distribution rate is expected to exceed the yield on long-term U.S. Treasury bonds by approximately 125 basis points. This rate includes both monthly and quarterly distributions.
Offering Price:	\$10.00
Selling Concession:	\$0.45 (no breakpoints)
Physical Delivery:	The Fund is designed for long-term investment and investors should not consider it as a trading vehicle. This offering will settle on a physical delivery basis only. Allocated shares to all participants can be traced by certificate number and the sales credit of any shares repurchased in the open market within a reasonable period of time will be charged back to the original broker-dealer. This method is to minimize the short-term volatility of these securities and protect the interest of the longer term investor for whom this Fund is designed.
Minimum Investment:	\$1,000 (100 shares @ \$10.00 per share)
Offering Date:	Late May
Symbol:	SI
Liquidity:	Application has been made to list the Fund's shares on the New York Stock Exchange.
Monthly Income:	Payable by check or reinvested in additional Fund shares.
Extra Quarterly Income:	Any realized net short-term gains will be distributed quarterly, either payable by check or reinvested in additional Fund shares.
First Monthly Dividend:	ACM expects the Fund will distribute its first monthly dividend approximately 45-60 days after the offering; monthly thereafter.
Dividend Reinvestment Plan:	Monthly and quarterly distributions can be reinvested in additional fund shares.
Investment Manager:	Alliance Capital Management, a major international investment manager, with more than \$32 billion in assets under management, \$11 billion of which are invested in fixed income securities.
Blue Sky:	It is anticipated the offering will qualify for sale in all states.

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This memorandum relates to a public offering. Under no circumstances may a copy of this memorandum be shown, quoted or given to any member of the public. All Investment Executives should read the preliminary prospectus before discussing the offering with potential buyers.

SAMPLE PROSPECTING LETTER



Dear _____:

I would like to introduce you to a new investment opportunity seeking high current income with the security of a professionally managed portfolio investing primarily in U.S. Government obligations: the *ACM Government Spectrum Fund*.

This new closed-end fund is managed by a major international investment manager, Alliance Capital Management.

ACM Government Spectrum Fund will invest primarily in securities issued or guaranteed by the United States Government, its agencies or instrumentalities, and repurchase agreements pertaining to U.S. Government Securities. The Fund may also invest as much as 35 percent of its assets in the foreign government securities of politically and economically stable countries such as Japan, Canada, West Germany, Sweden and the United Kingdom. Opportunities for higher income have been available in government securities of these countries, but until recently were difficult for investment by individuals. Additionally, the Fund may use certain other investment techniques, including options and futures contracts.

With its goal of providing high current income consistent with the preservation of capital, *ACM Government Spectrum Fund* will offer:

- Monthly dividend income.
- Professional management by Alliance Capital Management.
- Dividend reinvestment plan.
- NYSE Listing—application has been made to list the Fund's shares on the New York Stock Exchange.
- Low minimum investment of \$1,000 (100 shares @ \$10.00 per share).

Alliance Capital Management is a major international investment manager. Of the \$32-plus billion in assets under management, \$11 billion are invested in fixed income securities. Alliance manages assets for over a half-million mutual fund shareholders, as well as major corporations (23 of the Fortune 100 companies), public benefit plans, foundations and numerous other institutions. Alliance is a subsidiary of The Equitable Life Assurance Society of the United States.

For more details about the *ACM Government Spectrum Fund* please call me today for a copy of the prospectus. It contains more complete information, including all charges and expenses. Please read it carefully before you decide to invest or send money.

Sincerely,

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. Information contained herein is subject to completion or amendment. These securities may not be sold, nor may offers to buy be accepted, prior to the time the registration statement becomes effective. This communication shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any State in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

TELEPHONE PROSPECTING SCRIPT

Hello (Mr., Mrs., Ms.) _____, this is _____
from _____.



I'd like to introduce you to a new investment opportunity which will seek high current income consistent with the preservation of capital.

It's called the *ACM Government Spectrum Fund* and it's a new, professionally managed, closed-end fund which will invest in U.S. Government Securities and the government securities of politically and economically stable countries such as Japan, West Germany, Canada, Sweden and the United Kingdom.

The Fund will seek to deliver high current income consistent with the preservation of capital by investing primarily in U.S. Government Securities. In addition, as much as 35 percent of Fund assets may be invested in the securities of politically and economically stable foreign governments. As you may have heard, there have been opportunities in the foreign government fixed income markets, but until recently these were difficult for investment by individuals such as yourself. Additionally, the Fund may use certain other investment techniques, including options and futures contracts.

The Fund will be managed by Alliance Capital Management, which has more than \$32 billion in assets under management for both institutions and individuals worldwide. In fact, \$11 billion of that is invested in fixed income securities.

Important features of the fund include:

- Monthly dividend income—payable by check or reinvested in additional shares of the Fund.
- Professional management by Alliance Capital Management.
- NYSE Listing—application has been made to list the Fund's shares on the New York Stock Exchange.
- Low minimum investment of only \$1,000 (100 shares at \$10.00 per share).

If you, like so many other investors, are seeking high monthly income with the security of a professionally managed portfolio, I believe this new *ACM Government Spectrum Fund* could be an ideal investment opportunity for you.

The minimum investment is just \$1,000—that's 100 shares at \$10.00 per share. You'll find additional information about the Fund in the preliminary prospectus and sales brochure, including information on charges and expenses. I'll drop these in the mail to you today, and I encourage you to read them carefully before you invest or send money.

Let me confirm your address and the spelling of your name. I'll call you again in a few days to discuss the material. Thank you for your time. Goodbye.