

NUVEEN PREMIUM INCOME MUNICIPAL FUND 2 INC
 Form 4
 May 31, 2011

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 BANK OF AMERICA CORP /DE/

2. Issuer Name and Ticker or Trading Symbol
 NUVEEN PREMIUM INCOME MUNICIPAL FUND 2 INC [NPM]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 05/26/2011

____ Director
 ____ Officer (give title below)
 10% Owner
 ____ Other (specify below)

BANK OF AMERICA
 CORPORATE CENTER, 100 N.
 TRYON STREET

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

CHARLOTTE, NC 28255

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Code | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------------|--------------------------------------|--|------------------|------------|---|----------|---|--|-----------------------------------|
| | | | (Instr. 8) | (Instr. 8) | (A) or (D) | Price | | | |
| Auction Rate Preferred ⁽¹⁾ | 05/26/2011 | | J ⁽²⁾ | | D | <u>2</u> | 0 | I | See Footnote ⁽¹⁾ |
| Auction Rate Preferred ⁽¹⁾ | 05/26/2011 | | J ⁽²⁾ | | D | <u>2</u> | 0 | I | See Footnote ⁽¹⁾ |
| Auciton Rate Preferred ⁽¹⁾ | 05/26/2011 | | J ⁽²⁾ | | D | <u>2</u> | 0 | I | See Footnote ⁽¹⁾ |

| | | | | | | | | |
|---------------------------------------|------------|------------------|-----|---|------------|---|---|-----------------------------|
| Auction Rate Preferred ⁽¹⁾ | 05/26/2011 | J ⁽²⁾ | 752 | D | <u>(2)</u> | 0 | I | See Footnote ⁽¹⁾ |
| Auction Rate Preferred ⁽¹⁾ | 05/26/2011 | J ⁽¹⁾ | 125 | D | <u>(2)</u> | 0 | I | See Footnote ⁽¹⁾ |
| Auction Rate Preferred ⁽¹⁾ | 05/26/2011 | J ⁽²⁾ | 278 | D | <u>(2)</u> | 0 | I | See Footnote ⁽¹⁾ |
| Auction Rate Preferred ⁽¹⁾ | 05/27/2011 | J ⁽²⁾ | 911 | D | <u>(2)</u> | 0 | I | See Footnote ⁽¹⁾ |
| Auction Rate Preferred ⁽¹⁾ | 05/27/2011 | J ⁽²⁾ | 508 | D | <u>(2)</u> | 0 | I | See Footnote ⁽¹⁾ |
| Auction Rate Preferred ⁽¹⁾ | 05/31/2011 | J | 79 | D | <u>(2)</u> | 0 | I | See Footnote ⁽¹⁾ |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Benef Own Follo Repo Trans (Instr |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V (A) (D) | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships |
|--------------------------------|----------------------------------|
| | Director 10% Owner Officer Other |

BANK OF AMERICA CORP /DE/
 BANK OF AMERICA CORPORATE CENTER X
 100 N. TRYON STREET
 CHARLOTTE, NC 28255

BANK OF AMERICA NA
 BANK OF AMERICA CORPORATE CENTER X
 100 NORTH TRYON STREET
 CHARLOTTE, NC 28255

Blue Ridge Investments, L.L.C.
 214 N. TRYON STREET X
 CHARLOTTE, NC 28255

Signatures

Bank of America Corporation and Bank of America, N.A., By: /s/ Michael Didovic, Title: Director 05/31/2011

__Signature of Reporting Person Date

Blue Ridge Investments, L.L.C., By: /s/ John Hiebendahl, Title: SVP 05/31/2011

__Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
 The Auction Rate Preferred Shares ("Shares") reported in Table I represent Shares beneficially owned by Bank of America, N.A. ("BANA") and Blue Ridge Investors, L.L.C. ("Blue Ridge"). BANA is a wholly owned subsidiary of Bank of America Corporation ("Bank of America") and Blue Ridge is a wholly owned subsidiary of BANA.
- (2) The Shares were called for redemption by the issuer at par value.

Remarks:

The Shares reported herein represent Bank of America's combined holdings in multiple series of auction rate preferred securities.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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