



November 2006

Proposed Merger of ACM Government Opportunity Fund into ACM Income Fund

Our continuing mission is to help investors to build and preserve their wealth over the long term, and we believe that one of the ways in which we can best do this is by providing a broadly diversified group of investment strategies. In keeping with this mission, we carefully evaluate our family of funds on an ongoing basis.

As a result of this process, the Board of Directors of ACM Government Opportunity Fund has determined that stockholders' interests would be best served by merging ACM Government Opportunity Fund, a smaller fund, into the larger ACM Income Fund. For stockholders of ACM Government Opportunity Fund, the merger's key benefits would be lower expenses and an expanded universe of investment opportunities.

Stockholders of ACM Government Opportunity Fund will meet on Tuesday, December 12, 2006 to consider the proposal, which we explain in greater detail in this document. Proxy materials were distributed to stockholders in November 2006 and are available on our website (www.alliancebernstein.com).

We have anticipated some of the questions that you may have, and provide our responses in the pages that follow.

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For Stockholders of ACM Government Opportunity Fund

What is the proposal? What are the specific reasons for it?

We are proposing to merge ACM Government Opportunity Fund into ACM Income Fund. Stockholders of ACM Government Opportunity Fund, whose \$110 million in total assets (as of March 31, 2006) equals only about 6% of ACM Income Fund's \$1.9 billion in total assets, would benefit from the lower operating expenses and broader investment policy of ACM Income Fund.

What are the merger's key benefits to stockholders of ACM Government Opportunity Fund?

1. **Lower expenses.** The merger would provide a sizeable reduction in management fees and other operating expenses for ACM Government Opportunity Fund stockholders.

Total annual expenses (including interest expense) of ACM Government Opportunity Fund would be higher after the merger than currently, but would be the same as those of ACM Income Fund. This is because ACM Income Fund uses leverage to a significantly greater extent than ACM Government Opportunity Fund (see question about leverage on the next page) and, accordingly, has higher interest expense.

The table below illustrates the expected effect of the merger on expenses other than interest expenses, as well as on total annual expenses. (Data for expenses other than interest expenses for ACM Government Opportunity Fund apply to the fiscal year starting August 1, 2005 through March 31, 2006. For ACM Income Fund, the corresponding data apply to the fiscal year starting January 31, 2006 through March 31, 2006.)

Fund	Expenses Including Mgmt. Fees and Other Operating Expenses Only	Total Annual Expenses
ACM Govt. Opportunity	1.35%*	2.65%*
ACM Income	0.76%	2.91%
Pro forma after merger	0.76%	2.91%

*After waiver, expenses were 1.25% and 2.55%, respectively.

2. **Expanded universe of investment opportunities.** ACM Government Opportunity Fund invests primarily in government debt of the U.S. and emerging nations. ACM Income Fund also invests in these categories, and additionally invests in non-government securities rated investment-grade and below-investment-grade (typically corporate bonds). ACM Income Fund thus offers an expanded universe of investment opportunities.

Who are the members of ACM Income Fund's portfolio management team?

ACM Income Fund is managed by Douglas J. Peebles, Executive Vice President, Chief Investment Officer and Co-Head of Fixed Income; and Paul J. DeNoon, Senior Vice President and Director of Emerging Market Debt. Mr. DeNoon is also one of the managers of ACM Government Opportunity Fund. Mr. Peebles has been associated with ACM Income Fund since 1995, and Mr. DeNoon has been associated with both funds since joining AllianceBernstein in 1992. They are supported by AllianceBernstein's dedicated research teams for global economics, investment-grade credit and high-yield credit.

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What are the investment objectives and key investment policies of ACM Income Fund and ACM Government Opportunity Fund?

ACM Income Fund's investment objective is high current income consistent with preservation of capital. It currently invests at least 65% of its total assets in U.S. government securities and related repurchase agreements. In addition, it may invest up to 35% of its total assets in securities other than U.S. government securities, notably including investment-grade and below-investment-grade securities (typically corporate bonds and mortgage-backed securities) and government securities of non-U.S. countries (typically emerging nations) considered stable by the Fund's investment adviser.

ACM Government Opportunity Fund's primary investment objective is high current income consistent with prudent investment risk. Growth of capital is its secondary objective. Like ACM Income Fund, ACM Government Opportunity Fund currently invests at least 65% of its total assets in U.S. government securities and related repurchase agreements. It may invest up to 35% of its total assets in securities other than U.S. government securities (typically emerging market government bonds), and up to 20% of its assets in dividend-paying stocks.

How do the key investment policies of ACM Income Fund differ from those of ACM Government Opportunity Fund?

ACM Income Fund's investment policy is broader: While both funds invest the majority of their total assets in U.S. government securities and related repurchase agreements, ACM Income Fund owns investment-grade and high-yield corporate bonds in addition to emerging market bonds.

Unlike ACM Government Opportunity Fund, ACM Income Fund earns a variable management fee. How would this variable management fee affect ACM Income Fund's expenses?

ACM Income Fund's expenses are partially based on the Fund's gross income, for which the Fund earns a variable management fee. If ACM Income Fund earned its maximum management fee of 0.95%, its expenses before interest on a pro forma basis would be 1.06%. This level of expenses (exclusive of interest expense) would remain significantly below ACM Government Opportunity Fund's current expenses. We believe that stockholders of ACM Government Opportunity Fund would benefit even if ACM Income Fund earned its maximum management fee.

ACM Government Opportunity Fund uses leverage as part of its investment approach. What about ACM Income Fund?

Both funds use some form of leverage to try to increase returns. ACM Government Opportunity Fund uses investment operations (e.g., reverse repurchase agreements) to do so, while ACM Income Fund uses investment operations as well as bank borrowings. While the level of leverage for both funds varies significantly from time to time, ACM Income Fund's leverage is typically higher—40% as of July 31, 2006, versus 30% for ACM Government Opportunity Fund.

We expect that ACM Income Fund will continue to maintain its current level of leverage after the merger, and note that ACM Income Fund's higher level of leverage means that ACM Income Fund has a higher degree of investment risk than ACM Government Opportunity Fund. ACM Income Fund's investment adviser believes that ACM Income Fund's risk is appropriate in view of its potential level of return.

ACM Government Opportunity Fund has traded at a discount to net asset value (NAV) for a while. Will that change with the merger?

This is impossible to determine in advance. Historically, shares of both funds have traded at either a premium or discount to their respective NAVs at different times. As of October 31, 2006, ACM Government Opportunity Fund traded at a deeper discount to NAV than ACM Income Fund (see table below). Absent the vagaries of the marketplace, we do not expect the merger to significantly affect the discount of ACM Income Fund.

Fund	Discount to NAV*
ACM Govt. Opportunity	(3.82%)
ACM Income	(1.93%)

*As of October 31, 2006

Will my dividends change?

If the merger is approved, you will become a stockholder of ACM Income Fund, which pays dividends monthly like ACM Government Opportunity Fund. As of October 31, 2006, ACM Government Opportunity Fund paid a monthly dividend of 4.15 cents per share and had a dividend yield of 5.76% based on NAV. ACM Income Fund paid a monthly dividend of 5.0 cents per share and had an NAV-based dividend yield of 7.26%, or 1.5 percentage points higher than ACM Government Opportunity Fund's yield.

Fund	Dividend Yield*
ACM Govt. Opportunity	5.76%
ACM Income	7.26%

*As of October 31, 2006 and based on net asset value

ACM Government Opportunity Fund's benchmark is the Lehman Brothers U.S. Aggregate Bond Index. What is ACM Income Fund's benchmark?

ACM Income Fund has the same benchmark, the Lehman Brothers U.S. Aggregate Bond Index.

What will happen to ACM Government Opportunity Fund if the merger is not approved?

If the merger is not approved, ACM Government Opportunity Fund's Board of Directors will continue to consider options for the Fund that would be in the best interests of stockholders.

Will I have to pay any special processing fees because of the merger?

No. Stockholders will not pay any special processing fees because of the merger.

Is the merger a taxable event?

No. It is not a taxable event. Stockholders will not recognize a gain or loss as a result of the merger.

Will ACM Government Opportunity Fund's portfolio management team transfer assets into ACM Income Fund in the form of securities, cash, or both?

If the merger is approved, ACM Government Opportunity Fund's portfolio will be repositioned to take advantage of ACM Income Fund's broader investment policy prior to the transfer of its assets to ACM Income Fund. Consequently, we expect that the bulk of ACM Government Opportunity Fund's transferred assets will be in the form of securities, although some cash will be transferred to ACM Income Fund as well.

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Will ACM Income Fund be renamed following the proposed merger?

The Board of Directors of ACM Income Fund has approved a proposal to change the name of ACM Income Fund to “AllianceBernstein Income Fund,” regardless of whether the merger is approved. The intent of this change is to brand ACM Income Fund with the same AllianceBernstein name used for all other funds in the AllianceBernstein family of funds. The renaming does not require a stockholder vote. If the merger is approved, the name change would take effect as of the merger’s closing. Otherwise, it would take effect soon after it is determined that ACM Government Opportunity stockholders have not approved the merger.

Will ACM Income Fund’s CUSIP number and stock symbol change after ACM Income Fund is renamed?

ACM Income Fund’s CUSIP number is 000912105, and its stock symbol is ACG. After ACM Income Fund is renamed, its CUSIP number will change. We do not anticipate that its stock symbol will change. A press release will be issued when more specific information is available.

Communications, Timing and Procedures for Stockholder Vote

When will the vote take place?

The stockholder meeting is scheduled for Tuesday, December 12, 2006. If we do not obtain a majority of the stockholder votes by December 12, the stockholder meeting would be adjourned and rescheduled for a later date.

How will stockholders be notified of the upcoming vote?

Existing stockholders as of the record date (*i.e.*, October 13, 2006) were notified via the proxy statement. Only those stockholders owning shares in the Fund as of the record date are eligible to vote.

When will voting materials be distributed?

Proxy materials were distributed in November 2006.

What should stockholders do if they don't agree with the proposed merger?

Stockholders may vote against the merger.

How will stockholders be notified of the outcome of the vote?

A press release will be issued promptly after the stockholder meeting on December 12.

If approved, when would the merger take place?

If we receive a majority of the stockholder votes approving the proposed merger by the date of the stockholder meeting on December 12, 2006, the merger would take place as soon as practicable after the repositioning of ACM Government Opportunity Fund's portfolio. This would most likely be in early 2007.

Copies of additional communications, including press releases, will be posted on our website, www.alliancebernstein.com, as they become available. If you have any questions about the merger, please feel free to call us at 800.247.4154.

AllianceBernstein Investments, Inc. is an affiliate of AllianceBernstein L.P., the manager of the Funds, and is a member of the NASD.

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