

Madison/Claymore Covered Call & Equity Strategy Fund
Form DEF 14A
July 06, 2011

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

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))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Madison/Claymore Covered Call & Equity Strategy Fund

(Name of Registrant As Specified in its Declaration of Trust)

Payment of Filing Fee (Check the appropriate box):

No Fee Required

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

MADISON/CLAYMORE
COVERED CALL & EQUITY STRATEGY FUND
2455 Corporate West Drive
Lisle, Illinois 60532

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To be held on July 26, 2011

Notice is hereby given to the holders of common shares of beneficial interest, par value \$0.01 per share (“Shares”), of Madison/Claymore Covered Call & Equity Strategy Fund (the “Fund”) that the Annual Meeting of Shareholders of the Fund (the “Annual Meeting”) will be held at the offices of the Fund, 2455 Corporate West Drive, Lisle, Illinois 60532, on Tuesday, July 26, 2011, at 11:30 a.m. Central time. The Annual Meeting is being held for the following purposes:

1. To elect two Trustees as Class I Trustees to serve until the Fund’s 2014 annual meeting of shareholders or until their respective successors shall have been elected and qualified;
2. To transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

THE BOARD OF TRUSTEES (THE “BOARD”) OF THE FUND, INCLUDING THE INDEPENDENT TRUSTEES, UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” THE PROPOSAL.

The Board has fixed the close of business on June 30, 2011, as the record date for the determination of Shareholders entitled to notice of, and to vote at, the Annual Meeting. We urge you to mark, sign, date, and mail the enclosed proxy in the postage-paid envelope provided or record your voting instructions via telephone or the Internet so you will be represented at the Annual Meeting.

By order of the
Board of Trustees

Kevin M. Robinson
Chief Executive Officer and
Chief Legal Officer

Lisle, Illinois
July 6, 2011

IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AT THE ANNUAL MEETING IN PERSON OR BY PROXY. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE VOTE YOUR PROXY BY TELEPHONE, INTERNET OR MAIL. IF VOTING YOUR PROXY BY MAIL, PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE ACCOMPANYING POSTAGE-PAID ENVELOPE. IF YOU ATTEND THE ANNUAL MEETING AND WISH TO VOTE IN PERSON, YOU WILL BE ABLE TO DO SO AND YOUR VOTE AT THE ANNUAL MEETING WILL REVOKE ANY PROXY YOU MAY HAVE SUBMITTED. MERELY ATTENDING THE ANNUAL MEETING, HOWEVER, WILL NOT REVOKE ANY PREVIOUSLY SUBMITTED PROXY. YOUR VOTE IS EXTREMELY IMPORTANT. NO MATTER HOW MANY OR HOW FEW SHARES YOU OWN, PLEASE SEND IN YOUR PROXY CARD (OR VOTE YOUR PROXY BY TELEPHONE OR THROUGH THE INTERNET PURSUANT TO THE INSTRUCTIONS CONTAINED ON THE PROXY CARD) TODAY.

MADISON/CLAYMORE
COVERED CALL & EQUITY STRATEGY FUND

PROXY STATEMENT

FOR THE ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON JULY 26, 2011

This document gives you information you need to vote on the matters listed on the accompanying Notice of Annual Meeting of Shareholders (“Notice of Annual Meeting”). Much of the information in this proxy statement (“Proxy Statement”) is required under rules of the Securities and Exchange Commission (“SEC”). If there is anything you don’t understand, please contact us at our toll-free number, (800) 851-0264.

This Proxy Statement is furnished to the holders of common shares of beneficial interest, par value \$0.01 per share (“Shares”), of Madison/Claymore Covered Call & Equity Strategy Fund (the “Fund”) in connection with the solicitation by the Board of Trustees of the Fund (the “Board”) of proxies to be voted at the Annual Meeting of Shareholders of the Fund to be held on Tuesday, July 26, 2011, and any adjournment or postponement thereof (the “Annual Meeting”). The Annual Meeting will be held at the offices of the Fund, 2455 Corporate West Drive, Lisle, Illinois 60532 on July 26, 2011, at 11:30 a.m. Central time. The Notice of Annual Meeting, this Proxy Statement and the enclosed proxy card are first being sent to the Fund’s Shareholders on or about July 11, 2011.

Important notice regarding the availability of proxy materials for the Annual Meeting to be held on July 26, 2011: This proxy statement is available on the Internet at: <https://materials.proxyvote.com/556582>. On this site, you will be able to access the proxy statement for the Annual Meeting and any amendments or supplements to the foregoing material required to be furnished to Shareholders.

- Why is a Shareholder meeting being held?

The Fund’s Shares are listed on the New York Stock Exchange (the “NYSE”) under the ticker symbol “MCN,” which requires the Fund to hold a meeting of Shareholders to elect Trustees each fiscal year.

- What proposal will be voted on at the Annual Meeting?

Shareholders of the Fund are being asked to vote on the following proposal at the Annual Meeting:

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To elect two Trustees as Class I Trustees (Mr. Randall C. Barnes and Mr. Frank E. Burgess) to serve until the Fund's 2014 annual meeting of shareholders or until their respective successors shall have been elected and qualified.

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- Will your vote make a difference?

YES! Your vote is important and could make a difference in the governance of the Fund, no matter how many Shares you own.

- Who is asking for your vote?

The enclosed proxy is solicited by the Board for use at the Annual Meeting to be held on Tuesday, July 26, 2011, and, if the Annual Meeting is adjourned or postponed, at any later meetings, for the purposes stated in the Notice of Annual Meeting.

- How does the Board recommend that Shareholders vote on the proposal?

The Board, including the Independent Trustees, unanimously recommends that you vote “FOR ALL” of the nominees for the Board of Trustees (Mr. Randall C. Barnes and Mr. Frank E. Burgess).

- Who is eligible to vote?

Shareholders of record of the Fund at the close of business on June 30, 2011 (the “Record Date”) are entitled to be present and to vote at the Annual Meeting or any adjournment or postponement thereof. Shareholders will be entitled to one vote on each matter to be voted for each Share of the Fund held and a fractional vote with respect to fractional Shares, with no cumulative voting.

- How do you vote your shares?

Whether or not you plan to attend the Annual Meeting, we urge you to complete, sign, date, and return the enclosed proxy card in the postage-paid envelope provided or vote your proxy via telephone or the Internet so your Shares will be represented at the Annual Meeting. Information regarding how to vote your proxy via telephone or the Internet is included on the enclosed proxy card. The required control number for Internet and telephone voting is printed on the enclosed proxy card. The control number is used to match proxy cards with shareholders’ respective accounts and to ensure that, if multiple proxy cards are executed, Shares are voted in accordance with the proxy card bearing the latest date. If you wish to attend the Annual Meeting and vote in person, you will be able to do so. You may contact the Fund at (800) 851-0264 to obtain directions to the site of the Annual Meeting.

All Shares represented by properly executed proxies received prior to the Annual Meeting will be voted at the Annual Meeting in accordance with the instructions marked thereon or otherwise as provided therein. If you sign the proxy card, but don’t fill in a vote, your Shares will be voted in accordance with the Board’s

recommendation. If any other business is brought before the Annual Meeting, your Shares will be voted at the proxies' discretion.

Shareholders who execute proxies may revoke them at any time before they are voted by filing with the Fund a written notice of revocation, by delivering a duly executed proxy bearing a later date or by attending the Annual Meeting and voting in person. Merely attending the Annual Meeting, however, will not revoke any previously submitted proxy.

- What vote is required to approve the Proposal?

The affirmative vote of a majority of the Shares present in person or represented by proxy and entitled to vote on the matter at the Annual Meeting at which a quorum is present is necessary to elect a Trustee nominee.

- How many Shares of the Fund were outstanding as of the record date?

At the close of business on June 30, 2011, the Fund had 19,268,423 Shares outstanding.

THE PROPOSAL: ELECTION OF TRUSTEES

The Fund's Shares are listed on the NYSE, which requires the Fund to hold a meeting of Shareholders to elect Trustees each fiscal year. Therefore, Shareholders of the Fund are being asked to elect two Trustees (Mr. Randall C. Barnes and Mr. Frank E. Burgess are the nominees) as Class I Trustees to serve until the Fund's 2014 annual meeting of shareholders or until their respective successors shall have been elected and qualified.

Composition of the Board of Trustees

The Trustees of the Fund are classified into three classes of Trustees: Class I Trustees, Class II Trustees and Class III Trustees. Assuming each of the nominees is elected at the Annual Meeting, the Board will be constituted as follows:

CLASS I TRUSTEES

-Mr. Randall C. Barnes and Mr. Frank E. Burgess are the Class I Trustees and are standing for election at the Annual Meeting. If elected, the term of the Class I Trustees of the Fund will continue until the Fund's 2014 annual meeting of shareholders or until their successors shall have been elected and qualified.

CLASS II TRUSTEES

-Mr. James R. Imhoff, Jr. and Mr. Ronald A. Nyberg are the Class II Trustees. The term of the Class II Trustees of the Fund will continue until the Fund's 2012 annual meeting of shareholders or until successors shall have been elected and qualified.

CLASS III TRUSTEES

-Mr. Ronald E. Toupin, Jr. and Mr. Lorence D. Wheeler are the Class III Trustees. The term of the Class III Trustees of the Fund will continue until the Fund's 2013 annual meeting of shareholders or until successors shall have been elected and qualified.

Generally, the Trustees of only one class are elected at each annual meeting of shareholders, so that the regular term of only one class of Trustees will expire annually and any particular Trustee stands for election only once in each three year period.

Each Class I Trustee nominee elected at the Annual Meeting as a Class I Trustee of the Fund will hold office until the Fund's 2014 annual meeting of shareholders or until successors shall have been elected and qualified. The other Trustees of the Fund will continue to serve under their current terms as described above. Unless authority is withheld,

it is the intention of the persons named in the proxy to vote the proxy "FOR" the election of each Class I Trustee nominee named above. Each Trustee nominee nominated by the Board has indicated that he has consented to serve as a Trustee if elected at the Annual Meeting. If a designated 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 or nominees.

Trustees

Certain information concerning the Trustees and officers of the Fund is set forth in the tables below. The “interested” Trustee (as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the “1940 Act”)) is indicated below. Independent Trustees are those who are not interested persons of the Fund, the Fund’s investment adviser, Guggenheim Funds Investment Advisors, LLC (“Guggenheim Funds” or the “Adviser”), or the Fund’s investment manager, Madison Asset Management, LLC (“Madison” or the “Investment Manager”), and comply with the definition of “independent” (as defined in Rule 10A-3 of the Securities Exchange Act of 1934, as amended) (the “Independent Trustees”).

The Fund is part of a fund complex (referred to herein as the “Fund Complex”) comprised of 15 closed-end funds, including the Fund, and 43 exchange-traded funds. The Fund Complex is overseen by multiple boards of trustees.

Name, Address(1)and Year of Birth	Position(s) Held with Fund	Term of Office(2) and Length of Time Served	Principal Occupation During The Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships held by Trustee
INDEPENDENT TRUSTEES:					
Randall C. Barnes(3) Year of birth: 1951	Trustee	Trustee since 2004	Private Investor (2001-present). Formerly, Senior Vice President & Treasurer, PepsiCo, Inc. (1993-1997), President, Pizza Hut International (1991-1993) and Senior Vice President, Strategic Planning and New Business Development of PepsiCo, Inc. (1987-1990).	53	None.
James R. Imhoff, Jr. 5250 East	Trustee	Trustee since 2004	Chairman and CEO of First Weber Group, a real estate services company (1996-present).	1	Director, Park Bank (1978- present). Trustee,

Terrace Drive					the Madison
Madison, WI 53718					Mosaic family of mutual funds (13) (1996-present) and Madison Strategic Sector Premium Fund (2005-present), Ultra Series Funds (17) (2009-present), and Members Mutual Funds (13) (2009-present).

Ronald A. Nyberg	Trustee	Trustee	Partner of Nyberg & Cassioppi, LLC, a law firm specializing in Corporate Law, Estate Planning and Business Transactions (2000-present). Formerly, Executive Vice President, General Counsel and Corporate Secretary of Van Kampen Investments (1982-1999).	55	None.
Year of birth: 1953		since 2004			

