

LIBERTY ALL STAR EQUITY FUND  
Form DEFA14A  
January 15, 2016

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 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 Rule14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Sec. 240.14a-12

LIBERTY ALL-STAR EQUITY FUND

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(name of Registrant as Specified in its Charter)

ALPS FUND SERVICES, INC.  
1290 Broadway, Suite 1100  
Denver, Colorado 80203

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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.

1) Title of each class of securities to which transaction 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.

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.

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

Liberty All-Star Equity Fund

Proxy  
Information  
Training Kit

Record Date:	December 14, 2015
Initial Mailing Date:	On or about – January 15, 2016
Beneficial Mailing Date:	TBD
Initial Calling Date:	January 25, 2016
Meeting Date:	February 25th, 2016 @ 9:00 AM Eastern

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Proxy Services Campaign Client:  
Liberty All-Star Equity Fund

Fact Finder for: # Of Proposals:  
One

Liberty All-Star Funds Meeting Date/Time:  
February 25th, 2016 @ 9:00 am Eastern Time

Adjournment Meeting Date/Time:  
TBD if necessary

Meeting Location:  
One Financial Center  
15<sup>th</sup> Floor  
Boston, MA 02111

Date of Record:  
December 14, 2015

E-Mail Proxy Info:  
Yes  No

Proxy Mail Date:  
On or about – January 15, 2016

Description of Envelope:  
9x12 White Envelope

Inbound # to Vote:  
1-844-700-1419

Registered Accounts Touch Tone Vote #:  
1-800-337-3503

Beneficial Accounts Touch Tone Vote #:  
1-800-690-6903

Beneficial Holders Internet Vote Web Site:  
[www.proxyvote.com](http://www.proxyvote.com)

Registered Holders Internet Vote Web Site:  
[www.proxy-direct.com](http://www.proxy-direct.com)

Client Customer Service:  
Liberty All-Star Equity Fund – 1-800-241-1850

Client Web Site:  
[www.all-starfunds.com](http://www.all-starfunds.com)

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The  
Proposals:

Please see below for  
a breakdown of the  
Proposal.

Proposal  
1: To approve a new  
Portfolio Management  
Agreement among the  
Fund, ALPS Advisors,  
Inc. and Aristotle  
Capital Management,  
LLC (the "Proposal").

Frequently Asked Questions:

Q: What is happening?

A: From February 17, 2004 to December 14, 2015, Matrix Asset Advisers, Inc. ("Matrix") managed a portion of the large cap value equity allocation of the Fund's portfolio. Consistent with the Fund's multi-manager methodology, including AAI's continuous evaluation of Portfolio Managers and consideration of potential new Portfolio Managers, after evaluating Matrix, AAI deemed it in the best interest of the Fund to recommend, and the Board approved, the reallocation to Aristotle of the large cap value equity portion of the Fund's portfolio that had been managed by Matrix. Accordingly, the Portfolio Management Agreement ("Old Agreement") with Matrix was terminated on December 14, 2015, and a new Portfolio Management Agreement with Aristotle commenced on December

14, 2015. Aristotle and Matrix both manage large cap value equity portfolios and follow a fundamental, research driven investment process. AAI believes that Aristotle's investment philosophy of investing in high quality businesses trading at discounts to Aristotle's determination of their intrinsic values would complement the philosophies of Cornerstone Capital Management LLC, Pzena Investment Management, LLC, Delaware Investments and TCW Investment Management Company, the Fund's other current Portfolio Managers. AAI also believes that Aristotle's experienced investment team and favorable performance record would benefit the Fund. Based upon these factors, AAI recommended that the Board approve a Portfolio Management Agreement among the Fund, AAI and Aristotle.

Based upon the foregoing and on AAI's quantitative and qualitative analyses, AAI recommended, and, on December 3, 2015, subject to shareholder approval, the Fund's Board approved, the hiring of Aristotle, effective December 14, 2015. The Old Agreement with Matrix, dated November 1, 2011, among Matrix, AAI and the Fund, was last approved by shareholders on September

30, 2011. For the fiscal year ended December 31, 2014, the Fund paid AAI advisory fees equal to \$8,553,568 and AAI paid Matrix advisory fees equal to \$870,915. During the most recent fiscal year, no fees were paid to Aristotle by the Fund, its affiliated persons or any affiliated person of such persons because Aristotle was hired as a new Portfolio Manager on December 14, 2015.

Q: What issue am I being asked to vote on?

Shareholders of the Fund are being asked to approve a new Portfolio Management Agreement (included as Exhibit A)

A: among the Fund, ALPS Advisors, Inc. (“AAI” or the “Fund Manager”) and Aristotle Capital Management, LLC (“Aristotle” or the “Portfolio Manager”).

Q: How can I vote my shares?

For your convenience, you are encouraged to

A: vote in any of the following three simple ways:

Internet—log on to the website address located on your proxy card(s). You will need the control number found on the proxy card(s) at the time you execute your vote.

Touchtone Phone—dial the toll-free number on the

enclosed proxy card(s)  
and follow the  
automated instructions.  
Please have the proxy  
card(s) available at the  
time of the call.

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Mail—sign, date, and complete the reverse side of the proxy card(s) and return the proxy card(s) in the postage-paid envelope provided.

Please respond. Your vote is important whether or not you plan to attend the special meeting. To assure the presence of a quorum at the special meeting, and to avoid the added cost of follow-up solicitations and possible adjournments, please take a few minutes to read the proxy statement and cast your vote through the internet or by telephone by following the instructions on your proxy card(s), or by signing, voting and returning the proxy card(s) in the envelope provided. Please take advantage of these prompt and efficient voting options. Please refer to the instructions on the enclosed proxy card. Shareholders may vote their shares via internet, telephone, or by signing, voting, dating and returning the proxy card in the enclosed envelope (if you've received this communication by mail).

Q: Will my vote make a difference?

A: Yes. Your vote is needed to ensure the proposals can be acted upon. To avoid the added cost of follow-up solicitations and possible adjournments, please read the Proxy Statement and cast your vote through the

Internet or by telephone by following the instructions on your proxy card(s). You may also vote by signing, voting and returning the proxy card(s) in the envelope provided. We encourage all shareholders to participate in the governance of the Trust.

Q: When is the deadline for voting my shares?

We encourage you to vote as early as possible to ensure that the Funds receive enough votes to act on the proposals. Your vote

A: (cast either by internet, telephone, or paper proxy card) must be received by the Trust prior to the start of the meeting (9:00 a.m. Eastern Time on February 25<sup>th</sup>, 2016).

Q: Who is eligible to vote?

Any person who owned shares of a Fund on the “record date”, which was

A: December 14<sup>th</sup>, 2015 (even if that person has since sold those shares).

Q: Who do I call if I have questions?

We will be happy to answer your questions about this proxy solicitation. We have

A: engaged Boston Financial Data Services as our proxy solicitation agent. If you have questions, please call 1-844-700-1419.

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Liberty All-Star Equity Fund Meeting Date: February 25<sup>th</sup>, 2016  
Outbound Script Toll-Free #: 1-844-700-1419

Greeting:

Hello, is Mr./Ms. \_\_\_\_\_ available?

IF YES:

Hi Mr./Ms. \_\_\_\_\_, my name is \_\_\_\_\_ and I am calling on a recorded line on behalf of your investment in the Liberty All-Star Equity Fund. The fund sent you proxy materials requesting that you vote your eligible shares prior to the upcoming Special Shareholder's meeting scheduled to be held on February 25th, 2016.

Your Board of Trustees has recommended you vote YES on the proposal and we are calling to ask if you would like to vote along with the recommendations of the board?

IF YES:

Thank you. For the record, would you please state your full name and mailing address?

Again, my name is \_\_\_\_\_, a proxy voting specialist on behalf of Liberty All-Star Equity Fund.

Today's date is \_\_\_\_\_ and the time is \_\_\_\_\_ Eastern Time.

Mr./Ms. \_\_\_\_\_, I have recorded your [FOR] vote, in accordance with the Board's recommendation with respect to the proposal(s) as set forth in the proxy materials you received.

We will be mailing you a written confirmation of your vote within 72 hours.

If you wish to make any changes you may contact us by calling 1-844-700-1419, Monday-Friday 9am-6pm EST. Thank you very much for your time and your vote. We hope you have a great day/evening.

IF Stockholder NOT AVAILABLE:

Is there a better time to reach Mr./Ms. \_\_\_\_\_? (IF YES) Make note & set up call back time.

IF Not sure how to vote

You may cast a FOR, AGAINST or an ABSTAIN vote on the proposal.

How would you like to cast your vote on the proposal?

Thank you. For the record, would you please state your full name and mailing address?

Again, my name is \_\_\_\_\_, a proxy voting specialist on behalf of the Liberty All-Star Equity Fund.

Today's date is \_\_\_\_\_ and the time is \_\_\_\_\_ Eastern Time.

Mr./Ms. \_\_\_\_\_, I have recorded your vote to (repeat vote intention) with respect to the proposal as set forth in the proxy materials you received. We will be mailing you a written confirmation of your vote within 72 hours.

If you wish to make any changes you may contact us by calling 1-844-700-1419, Monday-Friday 9am-6pm EST.

Thank you very much for your time and your vote. We hope you have a great day/evening.

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What I am being asked to vote on?

Proposal 1:

Approve a new Portfolio Management Agreement among the Fund, AAI, and Aristotle Capital Management, LLC.

If materials not received:

I can resend the materials to you. Do you have an email address this can be sent to?

(IF YES: Type email addresses in the notes and read it back phonetically to the Stockholder)

(IF NO: Continue with standard script) Can you please verify your mailing address? (Verify entire address, including street name, number, town, state & zip)

Thank you. You should receive these materials shortly. Included in the email will be instructions to inform you of the methods available to you to cast your vote, one of which is to call us back at 1-844-700-1419, Monday-Friday 9am-6pm EST.

When & Where:

The Special Shareholder's meeting is scheduled to be held at 9:00 a.m. Eastern Time, on February 25th, 2016, at One Financial Center, 15th Floor, Boston, MA 02111.

How can I vote?

Beneficial Holders:

Touch tone voting call 1-800-690-6903  
Log on to [www.proxyvote.com](http://www.proxyvote.com) and follow the on screen instructions provided.

Registered Holders:

Touch Tone Voting: Call 1-800-337-3503  
Log on to [www.proxy-direct.com](http://www.proxy-direct.com) and follow the on screen instructions provided.

Mail:

PROXY TABULATOR  
PO BOX 55909  
BOSTON, MA 02205 9100

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Liberty All-Star Equity Fund      Meeting Date: February 25th, 2016  
Inbound Script                      Toll-Free #: 1-844-700-1419

Greeting:

Hello, thank you for calling the Liberty All-Star Equity Fund proxy information line. My name is \_\_\_\_\_, may I have your name please?

Thank you Mr./Ms.\_\_\_\_\_. Are you calling regarding the upcoming Special Shareholder's meeting?

IF YES:

The Board of Trustees recommends a vote "FOR" the proposal.

Would you like to vote along with the Board's recommendation?  
Thank you. For the record, would you please state your full name and mailing address?

Again, my name is \_\_\_\_\_, a proxy voting specialist on behalf of Liberty All-Star Equity Fund.

Today's date is \_\_\_\_\_ and the time is \_\_\_\_\_ Eastern Time.

Mr./Ms. \_\_\_\_\_, I have recorded your [FOR] vote, in accordance with the Board's recommendation with respect to the proposal as set forth in the proxy materials you received and we will be mailing you a written confirmation of your vote within 72 hours.

If you wish to make any changes you may contact us by calling 1-844-700-1419. Thank you very much for your participation and have a great day/evening.

IF Not sure how to vote, You may cast a FOR vote, an AGAINST vote or an ABSTAIN vote on the proposal.

How would you like to cast your vote on the proposal?

Thank you. For the record, would you please state your full name and mailing address?

IF NO:

How may I help you today? (Go to Q&A to answer any questions.)

If a non-proxy related question, respond: Mr./Ms. \_\_\_\_\_.

I apologize I do not have access to that information; please feel free to call Liberty All-Star Equity Fund directly at 1-800-241-1850.

Again, my name is \_\_\_\_\_, a proxy voting specialist on behalf of Liberty All-Star Equity Fund.

Today's date is \_\_\_\_\_ and the time is \_\_\_\_\_ Eastern Time.

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Mr./Ms. \_\_\_\_\_, I have recorded your vote to (repeat vote intention) with respect to the proposal as set forth in the proxy materials you received. We will be mailing you a written confirmation of your vote within 72 hours.

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Proposal 1:

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Registered Holders:

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Log on to  
[www.proxy-direct.com](http://www.proxy-direct.com)  
and follow the



on screen  
instructions  
provided.

Mail:

PROXY  
TABULATOR  
PO BOX 55909  
BOSTON, MA  
02205 9100

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	Meeting Date:
Liberty All-Star Equity Fund	February 25th, 2016
Answering Machine Message	Toll-Free #: 1-844-700-1419

AUTOMATED ANSWERING MACHINE  
MESSAGE

Hello, we are calling with an important message on behalf of Liberty All-Star Equity Fund. You should have received proxy materials in the mail concerning the upcoming Meeting of Shareholders to be held on February 25th, 2016.

Your participation is very important. To vote over the telephone, call toll-free at 1-844-700-1419 and a proxy voting specialist will assist you with voting your shares.

Specialists are available Monday through Friday, 9am to 6pm Eastern Time. Voting takes just a few moments and will benefit all shareholders. Thank you for your prompt attention to this matter.