

LIPSON ARTHUR D
Form 4
December 11, 2007

FORM 4

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

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
LIPSON ARTHUR D

(Last) (First) (Middle)

**C/O WESTERN INVESTMENT
LLC, 7050 SOUTH UNION PARK
CENTER, SUITE 590**

(Street)

MIDVALE, UT 84047

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

**PIONEER MUNICIPAL & EQUITY
INCOME TRUST [[PBF]]**

3. Date of Earliest Transaction
(Month/Day/Year)
12/10/2007

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

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

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. Transaction Code (Instr. 8)	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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(D)	Price

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

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SEC 1474
(9-02)

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

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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 Underlying Securities (Instr. 3 and 4)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Equity Swap (obligation to purchase)	\$ 13.65	12/10/2007		P/K ⁽¹⁾		8,000 ⁽¹⁾		12/10/2007	05/05/2008	Common Stock, no par value	8,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
LIPSON ARTHUR D C/O WESTERN INVESTMENT LLC 7050 SOUTH UNION PARK CENTER, SUITE 590 MIDVALE, UT 84047	X

Signatures

By: /s/ Arthur D.
Lipson

12/11/2007

__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).

- (1) On December 10, 2007, Western Investment Activism Partners LLC (WIAP) and a securities broker (Broker) amended the cash settled equity swap contract originally entered into on May 29, 2007 between Broker and WIAP so as to add a notional 8,000 shares of common stock of the Issuer to the equity notional amount of the shares subject to the equity swap. By the terms of the equity swap: (i) WIAP will be obligated to pay to Broker the equity notional amount of the shares subject to the equity swap (Reference Shares) as of the beginning of the valuation period (which resets monthly), plus interest, and (ii) Broker will be obligated to pay to WIAP the market value of the Reference Shares as of the end of the valuation period. Any dividends received by Broker on the Reference Shares during the term of the equity swap will be paid to WIAP. All balances will be cash settled and there will be no transfer to WIAP of voting or dispositive power over the Reference Shares.
- (2) Following the December 10, 2007 amendment to the cash settled equity swap contract, there is an aggregate of 1,071,500 shares of common stock underlying the equity swap contract between WIAP and Broker.
- (3) For purposes of Section 16 of the Securities Exchange Act of 1934, as amended, and the Rules promulgated thereunder, as the sole managing member of Western Investment LLC (Western) which in turn is the managing member of WIAP, Mr. Lipson may be deemed to beneficially own the shares of common stock underlying the equity swap. Each of Mr. Lipson, Western and WIAP disclaims such

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beneficial ownership except to the extent of his or its pecuniary interest therein, if any.

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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