

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

Madison Covered Call & Equity Strategy Fund  
Form N-Q  
November 05, 2013  
MCN | September 30, 2013

Madison Covered Call & Equity Strategy Fund Portfolio of Investments (unaudited)

OMB APPROVAL

OMB Number: 3235-0578

Expires: January 31, 2016

Estimated average burden  
hours per response....10.5

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21582

Madison Covered Call and Equity Strategy Fund  
(Exact name of registrant as specified in charter)

550 Science Drive, Madison, WI 53711  
(Address of principal executive offices)(Zip code)

Pamela M. Krill  
Madison Asset Management, LLC  
550 Science Drive  
Madison, WI 53711  
(Name and address of agent for service)

Registrant's telephone number, including area code: 608-274-0300

Date of fiscal year end: December 31

Date of reporting period: September 30, 2013

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

## Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. s 3507.

See accompanying Notes to Portfolios of Investments.

1

---

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

MCN | September 30, 2013

Madison Covered Call & Equity Strategy Fund Portfolio of Investments (unaudited)

| Item 1. Schedule of Investments             | Shares  | Value (Note 1) |
|---|---------|----------------|
| COMMON STOCKS (A) - 74.1%                   |         |                |
| Consumer Discretionary - 15.0%              |         |                |
| Advance Auto Parts Inc.                     | 46,000  | \$3,803,280    |
| Amazon.com Inc. *                           | 9,000   | 2,813,760      |
| CBS Corp., Class B                          | 32,000  | 1,765,120      |
| DIRECTV *                                   | 70,000  | 4,182,500      |
| Discovery Communications Inc., Class C *    | 38,000  | 2,968,560      |
| Home Depot Inc./The                         | 30,000  | 2,275,500      |
| Lululemon Athletica Inc. *                  | 40,000  | 2,923,600      |
| Panera Bread Co., Class A *                 | 21,000  | 3,329,130      |
| Staples Inc.                                | 160,000 | 2,344,000      |
|   |         | 26,405,450     |
| Energy - 8.1%                               |         |                |
| Apache Corp.                                | 60,000  | 5,108,400      |
| Canadian Natural Resources Ltd.             | 80,000  | 2,515,200      |
| Petroleo Brasileiro S.A., ADR               | 150,000 | 2,323,500      |
| Schlumberger Ltd.                           | 50,000  | 4,418,000      |
|   |         | 14,365,100     |
| Financials - 5.7%                           |         |                |
| Bank of America Corp.                       | 69,200  | 954,960        |
| BB&T Corp.                                  | 107,000 | 3,611,250      |
| Morgan Stanley                              | 95,000  | 2,560,250      |
| T. Rowe Price Group Inc.                    | 40,000  | 2,877,200      |
|   |         | 10,003,660     |
| Health Care - 7.4%                          |         |                |
| Allergan Inc.                               | 37,000  | 3,346,650      |
| Cerner Corp. *                              | 40,000  | 2,102,000      |
| Mylan Inc. *                                | 70,000  | 2,671,900      |
| Teva Pharmaceutical Industries Ltd., ADR    | 130,000 | 4,911,400      |
|   |         | 13,031,950     |
| Industrials - 3.6%                          |         |                |
| C.H. Robinson Worldwide Inc.                | 45,000  | 2,680,200      |
| Expeditors International of Washington Inc. | 30,000  | 1,321,800      |
| United Technologies Corp.                   | 22,000  | 2,372,040      |
|   |         | 6,374,040      |
| Information Technology - 27.2%              |         |                |
| Communications Equipment - 3.1%             |         |                |

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

|                                |         |           |
|--------------------------------|---------|-----------|
| QUALCOMM Inc.                  | 80,000  | 5,388,800 |
| Computers & Peripherals - 4.4% |         |           |
| Apple Inc.                     | 10,000  | 4,767,500 |
| EMC Corp.                      | 116,500 | 2,977,740 |

See accompanying Notes to Portfolios of Investments.

2

---

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

MCN | September 30, 2013

Madison Covered Call & Equity Strategy Fund Portfolio of Investments (unaudited)

|   |           |             |
|---|-----------|-------------|
|   |           | 7,745,240   |
| Electronic Equipment, Instruments & Components - 1.3% |           |             |
| Flextronics International Ltd. *                      | 260,000   | 2,363,400   |
| Internet Software & Services - 2.7%                   |           |             |
| eBay Inc. *   | 85,000    | 4,742,150   |
| IT Services - 4.5%                                    |           |             |
| Accenture PLC, Class A                                | 61,000    | 4,492,040   |
| Visa Inc., Class A                                    | 18,000    | 3,439,800   |
|   |           | 7,931,840   |
| Semiconductors & Semiconductor Equipment - 4.7%       |           |             |
| Altera Corp.  | 76,000    | 2,824,160   |
| Broadcom Corp., Class A                               | 130,000   | 3,381,300   |
| Linear Technology Corp.                               | 50,000    | 1,983,000   |
|   |           | 8,188,460   |
| Software - 6.5%                                       |           |             |
| Check Point Software Technologies Ltd. *              | 12,000    | 678,720     |
| Microsoft Corp.                                       | 140,000   | 4,663,400   |
| Nuance Communications Inc. *                          | 154,000   | 2,879,030   |
| Oracle Corp.  | 100,000   | 3,317,000   |
|   |           | 11,538,150  |
|   |           | 47,898,040  |
| Leisure and Consumer Staples - 1.1%                   |           |             |
| CVS Caremark Corp.                                    | 35,000    | 1,986,250   |
| Materials - 6.0%                                      |           |             |
| Freeport-McMoRan Copper & Gold Inc.                   | 120,000   | 3,969,600   |
| Monsanto Co.  | 27,000    | 2,817,990   |
| Mosaic Co./The  | 90,000    | 3,871,800   |
|   |           | 10,659,390  |
| Total Common Stocks<br>( Cost \$135,525,551 )         |           | 130,723,880 |
| INVESTMENT COMPANIES - 5.9%                           |           |             |
| Powershares QQQ Trust Series 1 ETF                    | 65,000    | 5,125,250   |
| SPDR S&P 500 ETF Trust                                | 31,000    | 5,211,100   |
| Total Investment Companies<br>( Cost \$10,096,809 )   |           | 10,336,350  |
|   | Par Value |             |

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

U.S. GOVERNMENT AND AGENCY OBLIGATIONS - 6.9%

U.S. Treasury Bills (B) (C) - 6.9%

|                  |               |            |
|------------------|---------------|------------|
| 0.036%, 10/10/13 | \$ 10,000,000 | 9,999,912  |
| 0.010%, 10/24/13 | 2,200,000     | 2,199,986  |
|                  |               | 12,199,898 |

See accompanying Notes to Portfolios of Investments.

3

---

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

MCN | September 30, 2013

Madison Covered Call & Equity Strategy Fund Portfolio of Investments (unaudited)

|   |            |               |
|---|------------|---------------|
| Total U.S. Government and Agency Obligations<br>( Cost \$12,199,898 ) |            | 12,199,898    |
|   | Shares     |               |
| SHORT-TERM INVESTMENTS - 17.8%  |            |               |
| State Street Institutional U.S. Government Money Market Fund          | 31,428,687 | 31,428,687    |
| Total Short-Term Investments<br>( Cost \$31,428,687 )                 |            | 31,428,687    |
| TOTAL INVESTMENTS - 104.7% ( Cost \$189,250,945 )                     |            | 184,688,815   |
| NET OTHER ASSETS AND LIABILITIES - (2.7%)                             |            | (4,735,558)   |
| TOTAL CALL & PUT OPTIONS WRITTEN - (2.0%)                             |            | (3,532,368)   |
| TOTAL NET ASSETS - 100.0%   |            | \$176,420,889 |

\* Non-income producing.

All or a portion of these securities' positions represent

(A) covers (directly or through conversion rights) for outstanding options written.

All or a portion of these securities are segregated as

(B) collateral for put options written. As of September 30, 2013, the total amount segregated was \$12,199,898.

(C) Rate noted represents annualized yield at time of purchase..

ADR American Depositary Receipt.

ETF Exchange Traded Fund.

PLC Public Limited Company.

| Call Options Written    | Contracts<br>(100 shares<br>per contract) | Expiration   | Strike Price | Value<br>(Note 1) |
|-------------------------|---|--------------|--------------|-------------------|
| Accenture PLC           | 300                                       | October 2013 | \$72.50      | \$49,500          |
| Accenture PLC           | 310                                       | October 2013 | 75.00        | 14,725            |
| Advance Auto Parts Inc. | 460                                       | January 2014 | 85.00        | 140,300           |
| Allergan Inc.           | 260                                       | October 2013 | 90.00        | 52,000            |
| Altera Corp.            | 400                                       | October 2013 | 38.00        | 15,000            |
| Altera Corp.            | 360                                       | October 2013 | 39.00        | 4,500             |
| Amazon.com Inc.         | 90  | October 2013 | 295.00       | 175,275           |
| Apache Corp.            | 250                                       | October 2013 | 85.00        | 43,500            |
| Apache Corp.            | 350                                       | October 2013 | 87.50        | 25,375            |
| Apple Inc.              | 100                                       | October 2013 | 475.00       | 133,250           |
| Bank of America Corp.   | 692                                       | October 2013 | 13.00        | 63,318            |
| BB&T Corp.              | 600                                       | October 2013 | 35.00        | 10,800            |

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

|  |     |              |       |         |
|--|-----|--------------|-------|---------|
| BB&T Corp.                             | 400 | January 2014 | 36.00 | 17,800  |
| Broadcom Corp.                         | 250 | January 2014 | 28.00 | 25,249  |
| C.H. Robinson Worldwide Inc.           | 200 | October 2013 | 57.50 | 49,000  |
| C.H. Robinson Worldwide Inc.           | 250 | October 2013 | 60.00 | 21,875  |
| Cerner Corp.                           | 400 | October 2013 | 50.00 | 122,000 |
| Check Point Software Technologies Ltd. | 120 | October 2013 | 52.50 | 53,400  |
| CVS Caremark Corp.                     | 350 | October 2013 | 60.00 | 4,025   |
| DIRECTV                                | 400 | October 2013 | 60.00 | 45,600  |
| DIRECTV                                | 300 | January 2014 | 62.50 | 67,115  |
| eBay Inc.                              | 350 | October 2013 | 52.50 | 138,250 |
| eBay Inc.                              | 500 | October 2013 | 55.00 | 111,500 |
| EMC Corp.                              | 200 | October 2013 | 25.00 | 16,700  |
| EMC Corp.                              | 500 | October 2013 | 26.00 | 15,000  |

See accompanying Notes to Portfolios of Investments.

4

---



Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

MCN | September 30, 2013

Madison Covered Call & Equity Strategy Fund Portfolio of Investments (unaudited)

|   |     |              |        |         |
|---|-----|--------------|--------|---------|
| EMC Corp.                                   | 400 | January 2014 | 26.00  | 41,800  |
| Expeditors International of Washington Inc. | 300 | October 2013 | 41.00  | 94,500  |
| Freeport-McMoRan Copper & Gold Inc.         | 500 | October 2013 | 31.00  | 109,500 |
| Freeport-McMoRan Copper & Gold Inc.         | 500 | October 2013 | 33.00  | 36,250  |
| Freeport-McMoRan Copper & Gold Inc.         | 200 | January 2014 | 33.00  | 39,600  |
| Home Depot Inc.                             | 300 | October 2013 | 77.50  | 15,900  |
| Linear Technology Corp.                     | 500 | October 2013 | 39.00  | 63,750  |
| Lululemon Athletica Inc.                    | 400 | October 2013 | 72.50  | 95,800  |
| Microsoft Corp.                             | 700 | October 2013 | 32.00  | 106,050 |
| Microsoft Corp.                             | 700 | October 2013 | 35.00  | 8,750   |
| Monsanto Co.                                | 270 | October 2013 | 105.00 | 52,515  |
| Morgan Stanley                              | 350 | October 2013 | 26.00  | 48,475  |
| Morgan Stanley                              | 600 | October 2013 | 27.00  | 46,200  |
| Mosaic Co./The                              | 400 | January 2014 | 47.50  | 62,767  |
| Mylan Inc.                                  | 100 | October 2013 | 31.00  | 71,500  |
| Mylan Inc.                                  | 220 | October 2013 | 39.00  | 9,240   |
| Mylan Inc.                                  | 380 | January 2014 | 39.00  | 65,625  |
| Nuance Communications Inc.                  | 900 | October 2013 | 20.00  | 20,250  |
| Oracle Corp.                                | 500 | October 2013 | 33.00  | 30,250  |
| Oracle Corp.                                | 500 | January 2014 | 34.00  | 53,250  |
| Petroleo Brasileiro S.A.                    | 600 | October 2013 | 16.00  | 18,000  |
| Powershares QQQ Trust Series 1              | 325 | October 2013 | 76.00  | 108,225 |
| Powershares QQQ Trust Series 1              | 325 | October 2013 | 77.00  | 80,600  |
| QUALCOMM Inc.                               | 650 | October 2013 | 65.00  | 182,650 |
| QUALCOMM Inc.                               | 150 | October 2013 | 67.50  | 18,074  |
| Schlumberger Ltd.                           | 250 |              | 82.50  | 156,250 |

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

|  |     |                 |        |             |
|--|-----|-----------------|--------|-------------|
|  |     | October<br>2013 |        |             |
| Schlumberger Ltd.  | 250 | October<br>2013 | 85.00  | 103,750     |
| SPDR S&P 500 ETF Trust   | 310 | October<br>2013 | 167.00 | 95,635      |
| T.Rowe Price Group Inc.  | 20  | October<br>2013 | 75.00  | 450         |
| T.Rowe Price Group Inc.  | 100 | January 2014    | 75.00  | 17,400      |
| United Technologies Corp.  | 220 | October<br>2013 | 105.00 | 83,600      |
| VISA Inc.  | 130 | October<br>2013 | 180.00 | 154,700     |
| Total Call Options Written ( Premiums received \$3,245,555 )     |     |                 |        | \$3,506,363 |
| Put Options Written  |     |                 |        |             |
| Monsanto Co.   | 200 | October<br>2013 | 95.00  | 6,300       |
| T. Rowe Price Group Inc.   | 250 | October<br>2013 | 70.00  | 14,375      |
| United Technologies Corp.  | 200 | October<br>2013 | 97.50  | 3,900       |
| VISA Inc.  | 130 | October<br>2013 | 165.00 | 1,430       |
| Total Put Options Written ( Premiums received \$206,820 )        |     |                 |        | \$26,005    |
| Total Value of Options Written ( Premiums received \$3,452,375 ) |     |                 |        | \$3,532,368 |

See accompanying Notes to Portfolios of Investments.

5

---

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

MCN | Madison Covered Call & Equity Strategy Fund | September 30, 2013

Notes to Portfolios of Investments (Unaudited)

1. Portfolio Valuation: Securities traded on a national securities exchange are valued at their closing sale price, except for securities traded on NASDAQ which are valued at the NASDAQ official closing price ("NOCP") and options which are valued at the mean between the best bid and best ask price across all option exchanges. Securities having maturities of 60 days or less are valued at amortized cost, which approximates market value. Securities having longer maturities, for which quotations are readily available, are valued at their bid price. Mutual funds are valued at their Net Asset Value. Securities for which market quotations are not readily available are valued at their fair value as determined in good faith under procedures approved by the Board of Trustees.

2. Fair Value Measurements: The Fund has adopted the Financial Accounting Standards Board ("FASB") guidance on fair value measurements. Fair value is defined as the price that each fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. A three-tier hierarchy is used to maximize the use of observable market data "inputs" and minimize the use of unobservable "inputs" and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk (for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique). Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized in the three broad Levels listed below:

Level 1 – unadjusted quoted prices in active markets for identical investments

Level 2 - other significant observable inputs (including quoted prices for similar investments, interest rate volatilities, prepayment speeds, credit risk, benchmark yields, transactions, bids, offers, new issues, spreads and other relationships observed in the markets among comparable securities, underlying equity of the issuer; and proprietary pricing models such as yield measures calculated using factors such as cash flows, financial or collateral performance and other reference data, etc.)

Level 3 - significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The valuation techniques used by the Fund to measure fair value for the period ended September 30, 2013, maximized the use of observable inputs and minimized the use of unobservable inputs. As of September 30, 2013, the Fund did not hold securities deemed as Level 3, and there were no transfers between classification levels.

The following is a summary of the inputs used as of September 30, 2013, in valuing the Fund's investments carried at fair value (please see the Portfolio of Investments for a listing of all securities within each category):

| Description                            | Quoted Prices in<br>Active Markets for<br>Identical<br>Investments<br>(Level 1) | Significant Other<br>Observable Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Value at<br>9/30/2013 |
|--|---|---|--|-----------------------|
| Assets:                                |   |   |  |                       |
| Common Stocks                          | \$130,723,880   | \$ -  | \$ -   | \$130,723,880         |
| Investment Companies                   | 10,336,350  | -   | -  | 10,336,350            |
| U.S. Government and Agency Obligations | -   | 12,199,898  | -  | 12,199,898            |
| Investment Companies                   | 31,428,687  | -   | -  | 31,428,687            |

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

|                 |               |              |      |               |
|-----------------|---------------|--------------|------|---------------|
|                 | \$172,488,917 | \$12,199,898 | \$ - | \$184,688,815 |
| Liabilities:    |               |              |      |               |
| Written Options | \$3,532,368   | \$ -         | \$ - | \$3,532,368   |
|                 | \$3,532,368   | \$ -         | \$ - | \$3,532,368   |

Please see Portfolio of Investments of common stock sector breakdown and listing of all securities within each caption.

See accompanying Notes to Portfolios of Investments.

6

---

MCN | Madison Covered Call &amp; Equity Strategy Fund | September 30, 2013

Derivatives: The FASB issued guidance intended to enhance financial statement disclosure for derivative instruments and hedging activities and enable investors to understand: a) how and why a Fund used derivative investments, b) how derivative instruments and related hedge fund items are accounted for, and c) how derivative instruments and related hedge fund items affect a Fund's financial position, results of operations and cash flows.

The following table presents the types of derivatives in the Fund and their effect:

|  | Asset Derivatives |  | Liability Derivatives |
|--|-------------------|--|-----------------------|
| Derivatives not accounted for as hedging instruments | Fair Value        | Derivatives not accounted for as hedging instruments | Fair Value            |
| Equity contracts                                     | \$-               | Options Written                                      | \$3,532,368           |

**New Accounting Pronouncement:** In December 2011, the International Accounting Standards Board (IASB) and the FASB issued Accounting Standards Update (ASU) 2011-11 "Disclosures about Offsetting Assets and Liabilities." These common disclosure requirements are intended to help investors and other financial statement users to better assess the effect or potential effect of offsetting arrangements on a portfolio's financial position. They also improve transparency in the reporting of how companies mitigate credit risk, including disclosure of related collateral pledged or received. In addition, ASU 2011-11 facilitates comparison between those entities that prepare their financial statements on the basis of Generally Accepted Accounting Principles in the United States (U.S. GAAP) and those entities that prepare their financial statements on the basis of International Financial Reporting Standard (IFRS). ASU 2011-11 requires entities to disclose both gross and net information about both instruments and transactions eligible for offset in the financial position; and disclose instruments and transactions subject to an agreement similar to a master netting agreement. In January 2013, FASB issued ASU 2013-01 entitled Balance Sheet (Topic 210) – Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities which is intended to clarify the scope of ASU 2011-11, Balance Sheet (Topic 210) – Disclosures about Offsetting Assets and Liabilities. ASU 2013-01 limits the scope of ASU 2011-11's disclosure requirements on offsetting to financial assets and financial liabilities related to derivatives repurchase and reverse repurchase agreements, and securities lending and securities borrowing transactions. ASU 2011-11 and ASU 2013-01 are effective for fiscal years beginning on or after January 1, 2013, and interim periods within those annual periods. Management has evaluated the implications of ASU 2011-11 and ASU 2013-01 and its impact on financial statements disclosures and adopted the disclosures required by these updates.

In June 2013, FASB issued an update ("ASU 2013-08") to ASC Topic 946, Financial Services — Investment Companies ("Topic 946"). ASU 2013-08 amends the guidance in Topic 946 for determining whether an entity qualifies as an investment company and requires certain additional disclosures. ASU 2013-08 is effective for interim and annual reporting periods in fiscal years that begin after December 15, 2013. At this time, management is evaluating the implications of ASU 2013-08 and its impact to financial statements.

**3. Discussion of Risks:** While investments in stocks and bonds have been keystones in wealth building and management for a hundred years, at times these investments have produced surprises for even the savviest investors. Those who enjoyed growth and income of their investments were rewarded for the risks they took by investing in the markets. When the rare calamity strikes, the word "security" itself seems a misnomer. Although the Investment Adviser seeks to appropriately address and manage the risks identified and disclosed to you in connection with the management of the securities in the Fund, you should understand that the very nature of the securities markets includes the possibility that there may be additional risks of which we are not aware. We certainly seek to identify all applicable risks and then appropriately address them, take appropriate action to reasonably manage them and, of course, to make you aware of them so you can determine if they exceed your risk tolerance. Nevertheless, the often volatile nature of the securities markets and the global economy in which we work suggests that the risk of the unknown is something you must consider in connection with your investments in securities. Unforeseen events have

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

the potential to upset the best laid plans, and could, under certain circumstances produce the material loss of the value of some or all of the securities we manage for you in the Fund.

Please see the Fund's original prospectus for a discussion of risks associated with investing in the Fund.

See accompanying Notes to Portfolios of Investments.

7

---

MCN | Madison Covered Call & Equity Strategy Fund | September 30, 2013

Item 2. Controls and Procedures.

(a) The registrant's principal executive officer and principal financial officer determined that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")) are effective, based on their evaluation of these controls and procedures within 90 days of the date of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the Act. There were no significant changes in the Trust's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation. The officers identified no significant deficiencies or material weaknesses.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

Certifications of principal executive and principal financial officers as required by Rule 30a-2(a) under the Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Madison Covered Call and Equity Strategy Fund

By: (signature)

W. Richard Mason, CCO

Date: November 4, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: (signature)

Katherine L. Frank, Principal Executive Officer

Date: November 4, 2013

By: (signature)

Greg Hoppe, Principal Financial Officer

Date: November 4, 2013

See accompanying Notes to Portfolios of Investments.

8