

# The Depository Trust Company

# IMPORTANT

**B#:** 2546-07

**DATE:** November 15, 2007

**TO:** All Participants

**CATEGORY:** Dividends

**FROM:** Supervisor, Stock Dividend Department

**ATTENTION:** Dividend Managers, Cashiers & Reorganization Managers

**SUBJECT:** Rights: Liberty All-Star Equity Fund CUSIP: 530158104 Rights Contra CUSIP: 530158930 R/D: 11/09/07 Expires: 12/19/07 5:00 P.M. New York City Time Rate: one right for each one share held

\*\*\*\*\* Warning Time Critical \*\*\*\*\*

Liberty All-Star Equity Fund, is issuing non-transferable rights ("Rights") to holders of its common stock as of the close of business on the record date of November 09, 2007 (the "Record Date"). Each holder is entitled one Right for each one share of common stock held. The Rights expires on 12/19/07 at 5:00 P.M. New York City Time.

DTC will credit Rights to participants' accounts on November 15, 2007.

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) MENU OPTION OF THE PTS DIVIDEND ANNOUNCEMENTS INQUIRY FUNCTION (DIVA) SHOULD BE USED TO CONFIRM YOUR POSITION HISTORY AND PAYMENT INFORMATION.

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**IT IS IMPORTANT THAT PARTICIPANTS REFER TO THE DTC REORGANIZATION INQUIRY FOR PARTICIPANTS (RIPS), FUNCTION CODE 59, FOR INFORMATION REGARDING THE SUBSCRIPTION PRIVILEGE, SALE OF RIGHTS, AND ANY EXTENSIONS TO THE EXPIRATION DATE.**

If participants have any questions regarding this Important Notice, they may contact DTC's Customer Help Center at (888) 382-2721.

If participants have any questions regarding the Rights Offering, they may contact The Altman Group Inc. (the "Information Agent") at (800) 499-7619.