

MCN Announces Quarterly Dividend

Lisle, Illinois – August 1, 2008 (NYSE: [MCN](#)) [Madison/Claymore Covered Call & Equity Strategy Fund](#), a diversified closed-end management investment company, has declared its quarterly dividend of \$0.28 per share, reflecting a reduction of \$0.05 per share from the Fund's most recent quarterly dividend. This represents an annualized distribution rate of 11.442% based upon the closing market price of \$9.81 on July 31, 2008.

The Fund's dividend was modified in an effort to provide a greater balance between the Fund's primary investment objective to provide a high level of current income and its secondary investment objective of long-term capital appreciation. The Fund's management believes that maintaining and potentially growing the Fund's net asset value will benefit the Fund's shareholders over time. Furthermore, this dividend reduction will potentially allow the Fund to expand its option writing capabilities over time.

"Attributable to recent conditions in the equity markets, we believe the current dividend level enhances the Fund's ability to provide shareholders with greater potential for long-term capital appreciation while still providing an attractive level of quarterly income. We believe this proactive decision should be in the long-term shareholder's best interest", stated J. Thomas Futrell, CFA, Chief Executive Officer of the Fund.

Since the Fund's inception on July 28, 2004 through July 31, 2008 the Fund generated an average annual total return, including reinvestment of dividends, of 2.65% based on net asset value ("NAV") and -1.74% based on market price. This compares to a 5.91% average annual total return on the CBOE BuyWrite Index over the same period. The Fund's one year total return, as of July 31, 2008, was -12.40% based on NAV and -23.51% based on market price.

Dividends will be paid on August 29, 2008 to shareholders of record as of August 15, 2008 and an ex-dividend date of August 13, 2008. If it is determined that a notification is required pursuant to Section 19(a) of the Investment Company Act of 1940, as amended, such notice will be posted to the Fund's website after the close of business three business days prior to the payable date. If a distribution rate is largely comprised of sources other than income, it may not be reflective of the Fund's performance.

Claymore Advisors, LLC, an affiliate of [Claymore Securities, Inc.](#), serves as the Fund's Investment Adviser. Claymore Securities, Inc. is a privately-held financial services company offering unique investment solutions for financial advisors and their valued clients. Claymore entities have provided supervision, management, servicing and/or distribution on approximately \$18.4 billion in assets, as of April 30, 2008. Claymore currently offers closed-end funds, unit investment trusts and exchange-traded funds. Registered investment products are sold by prospectus only and investors should read the prospectus carefully before investing. Additional information on Claymore's closed-end funds is available at www.claymore.com/CEFs.

[Madison Asset Management, LLC](#), a wholly-owned subsidiary of Madison Investment Advisors, Inc., is the Fund's Investment Manager. Founded in 1974, Madison Investment Advisors is independently owned and based in Madison, Wisconsin. Madison Investment Advisors manages billions of dollars in assets as Investment Adviser for individuals, corporations, pension funds, endowments, insurance companies and mutual funds.

This information does not represent an offer to sell securities of the Fund and it is not soliciting an offer to buy securities of the Fund. There can be no assurance that the Fund will achieve its investment objectives. The net asset value of the Fund will fluctuate with the value of the underlying securities. It is important to note that closed-end funds trade on their market value, not net asset value, and closed-end funds often trade at a discount to their net asset value. Past performance is not indicative of future performance. An investment in the Fund is subject to certain risks and other considerations. Such risks and considerations include, but are not limited to: Investment Risk; Equity Risk; Risks Associated with Options on Securities; Limitation on Option Writing Risk; Risks of Mid-Cap Companies; Income Risk; Foreign Securities Risk; Industry Concentration Risk; Derivatives Risk; Illiquid Securities Risk; Fund Distribution Risk; Market Discount Risk; Other Investment Companies Risk; Financial Leverage Risk; Management Risk and Current Developments Risk.

Investors should consider the investment objectives and policies, risk considerations, charges and expenses of the Fund carefully before they invest. For this and more information, please contact a securities representative or Claymore Securities, Inc., 2455 Corporate West Drive, Lisle, Illinois 60532, 800-345-7999.

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