

GABELLI EQUITY TRUST INC  
Form DEF 14A  
March 29, 2019

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No.    )

Filed by Registrant  x

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 Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Sec. 240.14a-12

**The Gabelli Equity Trust Inc.**

(Name of Registrant as Specified In Its Charter)

(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:

**THE GABELLI EQUITY TRUST INC.**

One Corporate Center

Rye, New York 10580-1422

(914) 921-5070

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**To Be Held on May 13, 2019**

To the Stockholders of

THE GABELLI EQUITY TRUST INC.

Notice is hereby given that the Annual Meeting of Stockholders of The Gabelli Equity Trust Inc., a Maryland corporation (the "Fund"), will be held on Monday, May 13, 2019, at 9:45 a.m., local time, at The Cole Auditorium, The Greenwich Library, 101 West Putnam Avenue, Greenwich, Connecticut 06830 (the "Meeting"), and at any adjournments or postponements thereof for the following purposes:

- To elect two (2) Directors of the Fund to be elected by the holders of the Fund's common stock and holders of its Series C Auction Rate Cumulative Preferred Stock, 5.875% Series D Cumulative Preferred Stock, Series E Auction Rate Cumulative Preferred Stock, Series G Cumulative Preferred Stock, 5.00% Series H Cumulative Preferred Stock, and 5.45% Series J Cumulative Preferred Stock (together, "Preferred Stock"), voting together as a single class; and
- To consider and vote upon such other matters, including adjournments, as may properly come before said Meeting or any adjournments thereof.

These items are discussed in greater detail in the attached Proxy Statement.

The close of business on March 21, 2019, has been fixed as the record date for the determination of stockholders entitled to notice of and to vote at the Meeting and any adjournments or postponements thereof.

**YOUR VOTE IS IMPORTANT REGARDLESS OF THE SIZE OF YOUR HOLDINGS IN THE FUND. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, WE ASK THAT YOU PLEASE VOTE PROMPTLY. STOCKHOLDERS MAY AUTHORIZE THEIR PROXY BY TELEPHONE OR THE INTERNET. ALTERNATIVELY, STOCKHOLDERS MAY SUBMIT VOTING INSTRUCTIONS BY SIGNING AND DATING THE PROXY CARD AND RETURNING IT IN THE ACCOMPANYING POSTAGE-PAID ENVELOPE.**

By Order of the Board of Directors,

ANDREA R. MANGO

*Secretary*

April 3, 2019

## INSTRUCTIONS FOR SIGNING PROXY CARDS TO BE RETURNED BY MAIL

The following general rules for signing proxy cards may be of assistance to you and avoid the time and expense to the Fund involved in validating your vote if you fail to properly sign your proxy card.

1. *Individual Accounts:* Sign your name exactly as it appears in the registration on the proxy card.
2. *Joint Accounts:* Either party may sign, but the name of the party signing should conform exactly to the name shown in the registration.
3. *All Other Accounts:* The capacity of the individuals signing the proxy card should be indicated unless it is reflected in the form of registration. For example:

### **Registration**

### **Valid Signature**

#### **Corporate Accounts**

- |  |                                |
|--|--------------------------------|
| (1) ABC Corp.                            | ABC Corp., John Doe, Treasurer |
| (2) ABC Corp.                            | John Doe, Treasurer            |
| (3) ABC Corp.<br>c/o John Doe, Treasurer | John Doe                       |
| (4) ABC Corp., Profit Sharing Plan       | John Doe, Trustee              |

#### **Trust Accounts**

- |  |                      |
|--|----------------------|
| (1) ABC Trust                              | Jane B. Doe, Trustee |
| (2) Jane B. Doe, Trustee<br>u/t/d 12/28/78 | Jane B. Doe          |

#### **Custodian or Estate Accounts**

- |   |                         |
|---|-------------------------|
| (1) John B. Smith, Cust.<br>f/b/o John B. Smith, Jr. UGMA | John B. Smith           |
| (2) John B. Smith, Executor<br>Estate of Jane Smith       | John B. Smith, Executor |

## INSTRUCTIONS FOR TELEPHONE/INTERNET VOTING

Instructions for authorizing your proxy to vote your shares by telephone or Internet are included with the Notice of Internet Availability of Proxy Materials and the proxy card.



**THE GABELLI EQUITY TRUST INC.**

**ANNUAL MEETING OF STOCKHOLDERS**

**May 13, 2019**

**PROXY STATEMENT**

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors (the “Board,” the members of which are referred to as “Directors”) of The Gabelli Equity Trust Inc., a Maryland corporation (the “Fund”), for use at the Annual Meeting of Stockholders of the Fund to be held on Monday, May 13, 2019, at 9:45 a.m., local time, at The Cole Auditorium, The Greenwich Library, 101 West Putnam Avenue, Greenwich, Connecticut 06830 (the “Meeting”), and at any adjournments or postponements thereof. A Notice of Internet Availability of Proxy Materials will first be mailed to stockholders on or about April 3, 2019.

In addition to the solicitation of proxies by mail, officers of the Fund and officers and regular employees of Computershare Trust Company, N.A. (“Computershare”), the Fund’s transfer agent, and affiliates of Computershare or other representatives of the Fund may also solicit proxies by telephone, Internet, or in person. In addition, the Fund has retained Morrow Sodali LLC to assist in the solicitation of proxies for an estimated fee of \$1,000 plus reimbursement of expenses. The Fund will pay the costs of the proxy solicitation and the expenses incurred in connection with preparing, printing, and mailing the Notice of Internet Availability of Proxy Materials and/or Proxy Statement and its enclosures. If requested, the Fund will also reimburse brokerage firms and others for their expenses in forwarding solicitation materials to the beneficial owners of its shares.

**The Fund’s most recent annual report, including audited financial statements for the fiscal year ended December 31, 2018, is available upon request, without charge, by writing to the Secretary of the Fund, One Corporate Center, Rye, New York 10580-1422, calling the Fund at 800-422-3554, or via the Internet at [www.gabelli.com](http://www.gabelli.com).**

If the proxy is properly executed and returned in time to be voted at the Meeting, the shares represented thereby will be voted "FOR" the election of the nominees as Directors as described in this Proxy Statement, unless instructions to the contrary are marked thereon, and at the discretion of the proxy holders as to the transaction of any other business that may properly come before the Meeting. Any stockholder who has submitted a proxy has the right to revoke it at any time prior to its exercise either by attending the Meeting and voting his or her shares in person, or by submitting a letter of revocation or a later dated proxy to the Fund at the above address prior to the date of the Meeting.

A "quorum" is required in order to transact business at the Meeting. A quorum of stockholders is constituted by the presence in person or by proxy of the holders of a majority of the outstanding shares of the Fund entitled to vote at the Meeting. In the event a quorum is not present at the Meeting, or in the event that a quorum is present at the Meeting but sufficient votes to approve any of the proposed items are not received, the Meeting may be adjourned by an individual appointed by the Board to be the chairperson of the Meeting (or in their absence, a person designated pursuant to the By-Laws to act as chairperson of the Meeting). Alternatively, the chairperson of the Meeting may, in their discretion, submit the question of adjournment to a vote of stockholders. Any such adjournment on which the stockholders vote will require the affirmative vote of a majority of those shares present at the Meeting in person or by proxy (or a majority of votes cast if a quorum is present). If a quorum is present, the persons named as proxies will vote those proxies which they are entitled to vote "FOR" any proposal in favor of such adjournment and will vote those proxies required to be voted "AGAINST" any proposal against any such adjournment. If a quorum is present, a stockholder vote may be taken on one or more of the proposals in this Proxy Statement prior to such adjournment if sufficient votes have been received for approval and it is otherwise appropriate. The chairperson of the Meeting may adjourn any meeting of stockholders from time to time to a date not more than 120 days after the original record date without notice other than announcement at the Meeting. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the Meeting as originally notified. The Fund may set a subsequent record date and give notice of it to stockholders, in which case the meeting may be held not more than 120 days beyond the subsequent record date. The Fund may postpone or cancel a meeting of stockholders, and if it does the Fund will make a public announcement of such postponement or cancellation prior to the meeting. The postponed meeting may not be held more than 120 days after the initial record date.



The close of business on March 21, 2019, has been fixed as the record date for the determination of stockholders entitled to notice of and to vote at the Meeting and all adjournments thereof.

The Fund has two classes of capital stock outstanding: common stock, par value \$0.001 per share (“Common Stock”), and preferred stock consisting of (i) Series C Auction Rate Cumulative Preferred Stock (“Series C Preferred”), (ii) 5.875% Series D Cumulative Preferred Stock (“Series D Preferred”), (iii) Series E Auction Rate Cumulative Preferred Stock (“Series E Preferred”), (iv) Series G Cumulative Preferred Stock (“Series G Preferred”), (v) 5.00% Series H Cumulative Preferred Stock (“Series H Preferred”), and (vi) 5.45% Series J Cumulative Preferred Stock (“Series J Preferred”), each having a par value of \$0.001 per share (together, “Preferred Stock”). The holders of the Common Stock and Preferred Stock are each entitled to one vote for each full share held. On the record date, there were 253,338,023 shares of Common Stock, 2,880 shares of Series C Preferred, 2,363,860 shares of Series D Preferred, 1,120 shares of Series E Preferred, 2,779,796 shares of Series G Preferred, 4,172,873 shares of Series H Preferred, and 3,200,000 shares of Series J Preferred outstanding.

As of the record date, there were no persons known to the Fund to be beneficial owners of more than 5% of the Fund’s outstanding Common Stock or Preferred Stock.

## SUMMARY OF VOTING RIGHTS ON PROXY PROPOSALS

<u>Proposal</u>	<u>Common Stockholders</u>	<u>Preferred Stockholders</u>
Election of Directors	Common and Preferred Stockholders, voting together as a single class, vote to elect two Directors:  Mario J. Gabelli and  William F. Heitmann	Common and Preferred Stockholders, voting together as a single class, vote to elect two Directors:  Mario J. Gabelli and  William F. Heitmann
Other Business	Common and Preferred Stockholders, voting together as a single class	

**PROPOSAL: TO ELECT TWO (2) DIRECTORS OF THE FUND**

**Nominees for the Board of Directors**

The Board consists of seven Directors, six of whom are not “interested persons” of the Fund (as defined in the Investment Company Act of 1940, as amended (the “1940 Act”). The Fund divides the Board into three classes, each class having a term of three years. Each year, the term of office of one class will expire. Mario J. Gabelli and William F. Heitmann have each been nominated by the Board for election to serve for a three year term to expire at the Fund’s 2022 Annual Meeting of Stockholders or until their successors are duly elected and qualified. Each of the Directors of the Fund has served in that capacity since the July 14, 1986 organizational meeting of the Fund with the exception of Mr. Conn, who became a Director of the Fund on May 15, 1989, Mr. Fahrenkopf, who became a Director of the Fund on May 11, 1998, Mr. Heitmann, who became a Director of the Fund on August 15, 2012, Mr. Ferrantino, who became a Director of the Fund on February 22, 2017, and Mr. Nakamura, who became a Director of the Fund on May 16, 2018. All of the Directors of the Fund are also directors or trustees of other investment companies for which Gabelli Funds, LLC (the “Adviser”) or its affiliates serve as investment adviser. The classes of Directors are indicated below:

**Nominees to Serve Until 2022 Annual Meeting of Stockholders**

Mario J. Gabelli

William F. Heitmann

**Directors Serving Until 2021 Annual Meeting of Stockholders**

James P. Conn

Michael J. Ferrantino

**Directors Serving Until 2020 Annual Meeting of Stockholders**

Frank J. Fahrenkopf, Jr.

Kuni Nakamura

Salvatore J. Zizza

Under the Fund's Articles of Incorporation, Articles Supplementary, and the 1940 Act, holders of the Fund's outstanding Preferred Stock, voting as a separate class, are entitled to elect two Directors, and holders of the Fund's outstanding Common Stock and Preferred Stock, voting together as a single class, are entitled to elect the remaining Directors. The holders of the Fund's outstanding Preferred Stock would be entitled to elect the minimum number of additional Directors that would represent a majority of the Directors in the event that dividends on the Fund's Preferred Stock become in arrears for two full years and until all arrearages are eliminated. No dividend arrearages exist as of the date of this Proxy Statement. Messrs. Conn and Nakamura are currently the Directors elected solely by the holders of the Fund's Preferred Stock, and their terms as Directors are scheduled to expire at the Fund's 2021 and 2020 Annual Meeting of Stockholders, respectively. Therefore, they are not standing for election at this Meeting.

Unless instructions are provided to the contrary, it is the intention of the persons named in the proxy to vote the proxy "FOR" the election of the nominees named above. Each nominee has indicated that he has consented to serve as a Director if elected at the Meeting. If, however, a designated nominee declines or otherwise becomes unavailable for election, the proxy confers discretionary power on the persons named therein to vote in favor of a substitute nominee or nominees. Each nominee is qualified to serve as a Director under the Fund's governing documents.

**Information about Directors and Officers**

Set forth in the table below are the existing Directors, including those Directors who are not considered to be “interested persons,” as defined in the 1940 Act (the “Independent Directors”), two of whom are nominated for re-election to the Board of the Fund, and officers of the Fund, including information relating to their respective positions held with the Fund, a brief statement of their principal occupations, and, in the case of the Directors, their other directorships during the past five years (excluding other funds managed by the Adviser), if any.

<b>Name, Position(s), Address<sup>(1)</sup> and Age</b>	<b>Term of Office and Length of Time Served<sup>(2)</sup></b>	<b>Principal Occupation(s) During Past Five Years</b>	<b>Other Directorships Held by Director During Past Five Years</b>	<b>Number of Portfolios in Fund Complex<sup>(3)</sup> Overseen by Director</b>
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**INTERESTED DIRECTOR/NOMINEES<sup>(4)</sup>:**

<b>Mario J. Gabelli</b> Chairman and Chief Investment Officer Age: 76	Since 1986*	Chairman, Chief Executive Officer, and Chief Investment Officer- Value Portfolios of GAMCO Investors, Inc. and Chief Investment Officer - Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc.; Director/Trustee or Chief Investment Officer of other registered investment companies within the Gabelli/GAMCO Fund Complex; Chief Executive Officer of GGCP, Inc.; Executive Chairman of Associated Capital Group, Inc.	Director of Morgan Group Holdings, Inc. (holding company); Chairman of the Board and Chief Executive Officer of LICT Corp. (multimedia and communication services company); Director of CIBL, Inc. (broadcasting and wireless communications); Director of ICTC Group Inc. (communications)	33
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**INDEPENDENT DIRECTORS/NOMINEES<sup>(5)</sup>:**

<b>James P. Conn<sup>(6)</sup></b> Director Age: 81	Since 1989**	Former Managing Director and Chief Investment Officer of Financial Security Assurance Holdings, Ltd. (1992-1998)	—	26
<b>Frank J. Fahrenkopf,</b>		Co-Chairman of the Commission on Presidential Debates; Former President	Director of First Republic Bank (banking); Director of Eldorado	12

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<p><b>Jr.<sup>(7)</sup></b>                  Director                  Age: 79</p>	<p>Since 1998***</p>	<p>and Chief Executive Officer of the American Gaming Association (1995-2013); Former Chairman of the Republican National Committee (1983-1989)</p>	<p>Resorts, Inc. (casino entertainment company)</p>	
<p><b>Michael J. Ferrantino</b>                  Director                  Age: 47</p>	<p>Since 2017**</p>	<p>Chief Executive Officer of InterEx Inc.</p>	<p>—</p>	<p>2</p>
<p><b>William F. Heitmann<sup>(7)</sup></b>                  Director                  Age: 70</p>	<p>Since 2012*</p>	<p>Managing Director and Senior Advisor of Perlmutter Investment Company (real estate); Senior Vice President of Finance, Verizon Communications, and President, Verizon Investment Management (1971-2011)</p>	<p>Director and Audit Committee Chair of Syncreon (contract logistics provider)</p>	<p>4</p>
<p><b>Kuni Nakamura<sup>(6)(7)</sup></b>                  Director                  Age: 50</p>	<p>Since May 2018***</p>	<p>President of Advanced Polymer, Inc. (chemical manufacturing company); President of KEN Enterprises, Inc. (real estate)</p>	<p>—</p>	<p>35</p>
<p><b>Salvatore J. Zizza<sup>(7)(8)</sup></b>                  Director                  Age: 73</p>	<p>Since 1986***</p>	<p>President of Zizza &amp; Associates Corp. (private holding company); President of Bergen Cove Realty Inc.; Chairman of Harbor Diversified, Inc. (pharmaceuticals) (2009-2018); Chairman of BAM (semiconductor and aerospace manufacturing) (2000-2018); Chairman of Metropolitan Paper Recycling Inc. (recycling) (2005-2014)</p>	<p>Director and Chairman of Trans-Lux Corporation (business services); Director and Chairman of Harbor Diversified Inc. (pharmaceuticals) (2009-2018)</p>	<p>32</p>

**OFFICERS:**

<b>Name, Position(s)</b>	<b>Term of Office</b>	<b>Principal Occupation(s)</b>
<b>Address<sup>(1)</sup></b>	<b>and Length</b>	<b>During Past Five Years</b>
<b>and Age</b>	<b>of Time Served<sup>(9)</sup></b>	
<b>Bruce N. Alpert</b>		
President	Since 2003	Executive Vice President and Chief Operating Officer of Gabelli Funds, LLC since 1988; Officer of registered investment companies within the Gabelli/GAMCO Fund Complex; Senior Vice President of GAMCO Investors, Inc. since 2008
Age: 67		
<b>John C. Ball</b>		
Treasurer and Principal Financial and Accounting Officer	Since 2017	Treasurer of funds within the Gabelli/GAMCO Fund Complex since 2017; Vice President and Assistant Treasurer of AMG Funds, 2014-2017; Vice President of State Street Corporation, 2007-2014
Age: 43		
<b>Agnes Mullady</b>		
Vice President	Since 2006	Officer of registered investment companies funds within the Gabelli/GAMCO Fund Complex since 2006; President and Chief Operating Officer of the Fund Division of Gabelli Funds, LLC since 2015; Chief Executive Officer of G.distributors, LLC since 2010; Senior Vice President of GAMCO Investors, Inc. since 2009; Vice President of Gabelli Funds, LLC since 2007; Executive Vice President of Associated Capital Group, Inc. since 2016
Age: 60		
<b>Andrea R. Mango</b>		
Secretary and Vice President	Since 2013	Vice President of GAMCO Investors, Inc. since 2016; Counsel of Gabelli Funds, LLC since 2013; Secretary of registered investment companies within the Gabelli/GAMCO Fund Complex since 2013; Vice President of closed-end funds within the Gabelli/GAMCO Fund Complex since 2014
Age: 46		
<b>Richard J. Walz</b>		
Chief Compliance Officer	Since 2013	Chief Compliance Officer of registered investment companies within the Gabelli/GAMCO Fund Complex since 2013
Age: 59		

**Carter W. Austin**

Vice President and/or Ombudsman of closed-end funds within the Gabelli/GAMCO Fund Complex; Senior Vice President (since 2015) and Vice President (1996-2015) Since 2000 of Gabelli Funds, LLC  
Vice President  
Age: 52

**Molly A.F. Marion**

Vice President and Ombudsman Since 2009 Vice President and/or Ombudsman of closed-end funds within the Gabelli/GAMCO Fund Complex; Vice President of GAMCO Investors, Inc. since 2012  
Age: 65

**David I. Schachter**

Vice President Since 2013 of G.research, LLC Vice President and/or Ombudsman of closed-end funds within the Gabelli/GAMCO Fund Complex; Senior Vice President (since 2015) and Vice President (1999-2015)  
Age: 65

- (1) Address: One Corporate Center, Rye, NY 10580-1422.
- (2) The Fund's Board of Directors is divided into three classes, each class having a term of three years. Each year the term of office of one class expires and the successor or successors elected to such class serve for a three year term. The "Fund Complex" or the "Gabelli/GAMCO Fund Complex" includes all the U.S. registered investment companies (3) that are considered part of the same fund complex as the Fund because they have common or affiliated investment advisers.
- (4) "Interested person" of the Fund as defined in the 1940 Act. Mr. Gabelli is considered to be an "interested person" of the Fund because of his affiliation with the Fund's Adviser. Directors who are not considered to be "interested persons" of the Fund as defined in the 1940 Act are considered to be "Independent" Directors. None of the Independent Directors (with the possible exceptions as described in this (5) proxy statement) nor their family members had any interest in the Adviser or any person directly or indirectly controlling, controlled by, or under common control with the Adviser as of December 31, 2018.
- (6) Director elected solely by holders of the Fund's Preferred Stock. Mr. Fahrenkopf's daughter, Leslie F. Foley, serves as a director of other funds in the Gabelli/GAMCO Fund Complex. Mr. Zizza is an independent director of Gabelli International Ltd., and Mr. Nakamura is a director of (7) Gabelli Merger Plus+ Trust Plc, both of which may be deemed to be controlled by Mario J. Gabelli and/or affiliates and in that event would be deemed to be under common control with the Fund's Adviser. Mr. Heitmann's son was a summer intern at GAMCO Investors, Inc., the parent company of the Adviser, from June 29, 2015 through July 24, 2015. On September 9, 2015, Mr. Zizza entered into a settlement with the Securities and Exchange Commission (the "SEC") to resolve an inquiry relating to an alleged violation regarding the making of false statements or omissions to (8) the accountants of a company concerning a related party transaction. The company in question is not an affiliate of, nor has any connection to, the Fund. Under the terms of the settlement, Mr. Zizza, without admitting or denying the SEC's findings and allegation, paid \$150,000 and agreed to cease and desist committing or causing any future violations of Rule 13b2-2 of the Securities Exchange Act of 1934, as amended (the "1934 Act").
- (9) Includes time served in prior officer positions with the Fund. Each officer will hold office for an indefinite term until the date he or she resigns or retires or until his or her successor is duly elected and qualifies.
- \* Nominee to serve, if elected, until the Fund's 2022 Annual Meeting of Stockholders and until his successor is duly elected and qualifies.

- \*\* Term continues until the Fund's 2021 Annual Meeting of Stockholders and until his successor is duly elected and qualifies.
- \*\*\* Term continues until the Fund's 2020 Annual Meeting of Stockholders and until his successor is duly elected and qualifies.



The Board believes that each Director's experience, qualifications, attributes, or skills on an individual basis and in combination with those of other Directors lead to the conclusion that each Director should serve in such capacity. Among the attributes or skills common to all Directors are their ability to review critically and to evaluate, question, and discuss information provided to them, to interact effectively with the other Directors, the Adviser, the sub-administrator, other service providers, counsel, and the Fund's independent registered public accounting firm, and to exercise effective and independent business judgment in the performance of their duties as Directors. Each Director's ability to perform his duties effectively has been attained in large part through the Director's business, consulting, or public service positions and through experience from service as a member of the Board and one or more of the other funds in the Fund Complex, public companies, non-profit entities, or other organizations as set forth above and below. Each Director's ability to perform his duties effectively also has been enhanced by education, professional training, and other experience.

### **Interested Director/Nominee**

*Mario J. Gabelli, CFA.* Mr. Gabelli is Chairman of the Board of Directors and Chief Investment Officer of the Fund. He serves in the same capacities for other funds in the Fund Complex. Mr. Gabelli is Chairman, Chief Executive Officer, and Chief Investment Officer - Value Portfolios of GAMCO Investors, Inc. ("GBL"), a New York Stock Exchange ("NYSE")-listed asset manager and financial services company. He is the Chief Investment Officer of Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management, Inc., each of which are asset management subsidiaries of GBL. In addition, Mr. Gabelli is Chief Executive Officer, Chief Investment Officer, a director and the controlling shareholder of GGCP, Inc. ("GGCP"), a private company that holds a majority interest in GBL, and the Chairman of MJG Associates, Inc., which acts as an investment manager of various investment funds and other accounts. He is Executive Chairman of Associated Capital Group, Inc., a public company that provides alternative management and institutional research services and is a majority-owned subsidiary of GGCP. Mr. Gabelli serves as Overseer of the Columbia University Graduate School of Business and as a trustee of Boston College and Roger Williams University. He serves as a director of the Winston Churchill Foundation, The E.L. Wiegand Foundation, The American-Italian Cancer Foundation, and The Foundation for Italian Art and Culture. He is Chairman of the Gabelli Foundation, Inc., a Nevada private charitable trust. Mr. Gabelli serves as Co-President of Field Point Park Association, Inc. Mr. Gabelli received his Bachelor's degree from Fordham University, M.B.A. from Columbia Business School, and honorary Doctorates from Fordham University and Roger Williams University.

### **Independent Directors/Nominees**

*James P. Conn.* Mr. Conn is the Lead Independent Director of the Fund and a member of the Fund's *ad hoc* Proxy Voting Committee. He serves on comparable or other board committees with respect to other funds in the Fund Complex on whose boards he sits. He was a senior business executive of Transamerica Corp., an insurance holding company, for much of his career including service as Chief Investment Officer. Mr. Conn has been a director of several public companies in banking and other industries, and was lead director and/or chair of various committees. He received his Bachelor's degree in Business Administration from Santa Clara University.

*Frank J. Fahrenkopf, Jr.* Mr. Fahrenkopf is the Co-Chairman of the Commission on Presidential Debates, which is responsible for the widely-viewed Presidential debates during the quadrennial election cycle. He also served as Chairman of the Republican National Committee for six years during Ronald Reagan's presidency. Additionally, he serves as a board member of the International Republican Institute, which he founded in 1984. Mr. Fahrenkopf is a member of the Fund's *ad hoc* Pricing Committee, and serves on comparable or other board committees with respect to other funds in the Fund Complex on whose boards he sits. Mr. Fahrenkopf is the former President and Chief Executive Officer of the American Gaming Association ("AGA"), the trade group for the hotel-casino industry. He served for many years as Chairman of the Pacific Democrat Union and Vice Chairman of the International Democrat Union, a worldwide association of political parties from the United States, Great Britain, France, Germany, Canada, Japan, Australia, and twenty other nations. Prior to becoming the AGA's first chief executive in 1995, Mr. Fahrenkopf was a partner in the law firm of Hogan & Hartson, where he chaired the International Trade Practice Group and specialized in regulatory, legislative, and corporate matters for multinational, foreign, and domestic clients. Mr. Fahrenkopf is the former Chairman of the Finance Committee of the Culinary Institute of America and remains a member of the board. For over 30 years, Mr. Fahrenkopf has served on the Board of First Republic Bank and as Chairman of the Corporate Governance and Nominating Committee and as a member of the Audit Committee. He also serves as a member of the Board of Eldorado Resorts, Inc., which owns and operates 19 casinos in 10 states. Mr. Fahrenkopf received his Bachelor's degree from the University of Nevada, Reno and his Juris Doctor from Boalt Hall School of Law, U.C. Berkeley.

*Michael J. Ferrantino.* Mr. Ferrantino is the Chief Executive Officer of InterEx Inc., a full-service exhibit company that specializes in the design, fabrication, management and service of custom exhibit spaces for the trade show retail and museum markets. He is a member of the Fund's Audit Committee. Mr. Ferrantino serves on the board of another fund in the Gabelli/GAMCO Fund Complex. He previously served as the Chief Executive Officer and a director of Valpey Fisher Corp., which was sold to CTS Corp. in 2012. He received a Bachelor's degree in Materials Engineering from Rensselaer Polytechnic Institute and an M.B.A. from Loyola College, Baltimore.

*William F. Heitmann.* Mr. Heitmann is a former Managing Director and Senior Advisor of Perlmutter Investment Company, a privately owned real estate investment company. He is Chairman of the Fund's Audit Committee and has been designated as the Fund's Audit Committee Financial Expert. Mr. Heitmann serves in comparable roles for another fund in the Fund Complex. For over thirty-five years, Mr. Heitmann served in various capacities at Verizon Communications and its predecessor companies including as Senior Vice President and Treasurer of Verizon Communications, Vice President of Asset Management and Treasurer of Bell Atlantic Corporation, and Vice President of Merger Implementation during the Bell Atlantic-NYNEX merger. Additionally, he served as Chairman of the Board for Verizon Capital Corporation, the company's financial subsidiary. As Senior Vice President of Finance at Verizon, Mr. Heitmann was responsible for leading the Verizon Investment Management Corporation, for which he held the positions of President and Chief Investment Officer. Mr. Heitmann serves as a director of Syncreon, a contract logistics provider, and is Chairman of its Audit Committee. He was a director of DRS Technologies and Chairman of its Audit Committee, a director of the Pension Real Estate Association, and member of the Committee for the Investment of Employee Benefit Assets, the Financial Executives Institute, and The Pension Manager's Advisory Committee of the NYSE, and The Investment Committee of the Society for Neurology. Mr. Heitmann received his Bachelor's degree in Mechanical Engineering from New Jersey Institute of Technology and his M.B.A. from Rutgers University.

*Kuni Nakamura.* Mr. Nakamura is the president of Advanced Polymer, Inc., a chemical manufacturing company, and president of KEN Enterprises, Inc., a real estate company. He is the Chairman of the Fund's Nominating Committee. Mr. Nakamura also serve on comparable or other board committees with respect to other funds in the Fund Complex on whose boards he sits. He also serves as a director of the Gabelli Merger Plus+ Trust Plc. Mr. Nakamura was previously a board member of The LGL Group, Inc., a diversified manufacturing company. He is involved in various capacities with The University of Pennsylvania and The Guiding Eyes for the Blind. Mr. Nakamura is a graduate of the University of Pennsylvania – The Wharton School with a Bachelor's degree in Economics and Multinational Management.

*Salvatore J. Zizza.* Mr. Zizza is the President of Zizza & Associates Corp., a private holding company that invests in various industries. He also serves or has served as Chairman to other companies involved in manufacturing, recycling, real estate, technology, and pharmaceuticals. He is a member of the Fund's Audit, Nominating, *ad hoc* Proxy Voting, and *ad hoc* Pricing Committees, and a member of both multi-fund *ad hoc* Compensation Committees. Mr. Zizza serves on comparable or other board committees with respect to other funds in the Fund Complex on whose boards he sits. In addition to serving on the boards of other funds in the Fund Complex, Mr. Zizza is currently and has previously been a director of other public companies. He was also the President, Chief Executive Officer, and Chief Financial Officer of a large NYSE-listed construction company. Mr. Zizza received his Bachelor's degree and M.B.A.

in Finance from St. John's University, which awarded him an Honorary Doctorate in Commercial Sciences.

## Directors – Leadership Structure and Oversight Responsibilities

Overall responsibility for general oversight of the Fund rests with the Board. The Board has appointed Mr. Conn as the Lead Independent Director. The Lead Independent Director presides over executive sessions of the Directors and also serves between meetings of the Board as a liaison with service providers, officers, counsel, and other Directors on a wide variety of matters including scheduling agenda items for Board meetings. Designation as such does not impose on the Lead Independent Director any obligations or standards greater than or different from other Directors. The Board has established a Nominating Committee and an Audit Committee to assist the Board in the oversight of the management and affairs of the Fund. The Board also has an *ad hoc* Proxy Voting Committee that exercises voting and investment responsibilities on behalf of the Fund in selected situations. From time to time the Board establishes additional committees or informal working groups, such as an *ad hoc* Pricing Committee related to securities offerings by the Fund to address specific matters, or assigns one of its members to work with trustees or directors of other funds in the Fund Complex on special committees or working groups that address complex-wide matters, such as the multi-fund *ad hoc* Compensation Committee relating to the compensation of the Chief Compliance Officer for all the funds in the Fund Complex, and a separate multi-fund *ad hoc* Compensation Committee relating to the compensation of certain other officers of the closed-end funds in the Fund Complex.

All of the Fund's Directors, other than Mr. Mario J. Gabelli, are Independent Directors and the Board believes it is able to provide effective oversight of the Fund's service providers. In addition to providing feedback and direction during Board meetings, the Independent Directors meet regularly in executive session and chair all committees of the Board.

The Fund's operations entail a variety of risks, including investment, administration, valuation, and a range of compliance matters. Although the Adviser, the sub-administrator and the officers of the Fund are responsible for managing these risks on a day to day basis within the framework of their established risk management functions, the Board also addresses risk management of the Fund through its meetings and those of the committees and working groups. As part of its general oversight, the Board reviews with the Adviser at Board meetings the levels and types of risks being undertaken by the Fund, and the Audit Committee discusses the Fund's risk management and controls with the independent registered public accounting firm engaged by the Fund. The Board reviews valuation policies and procedures and the valuations of specific illiquid securities. The Board also receives periodic reports from the Fund's Chief Compliance Officer regarding compliance matters relating to the Fund and its major service providers, including results of the implementation and testing of the Fund's and such providers' compliance programs. The Board's oversight function is facilitated by management reporting processes designed to provide visibility to the Board regarding the identification, assessment, and management of critical risks, and the controls and policies and procedures used to mitigate those risks. The Board reviews its role in supervising the Fund's risk management from time to time and may make changes at its discretion at any time.

The Board has determined that its leadership structure is appropriate for the Fund because it enables the Board to exercise informed and independent judgment over matters under its purview, allocates responsibility among committees in a manner that fosters effective oversight, and allows the Board to devote appropriate resources to

specific issues in a flexible manner as they arise. The Board periodically reviews its leadership structure as well as its overall structure, composition, and functioning, and may make changes at its discretion at any time.

**Beneficial Ownership of Shares Held in the Fund and the Family of Investment Companies for each Director and Nominee for Election as Director**

Set forth in the table below is the dollar range of equity securities in the Fund beneficially owned by each Director and nominee for election as Director and the aggregate dollar range of equity securities in the Fund Complex beneficially owned by each Director and nominee for election as Director.

<u>Name of Director/Nominee</u>	<u>Dollar Range of Equity Securities Held in the Fund<sup>*(1)</sup></u>	<u>Aggregate Dollar Range of Equity Securities Held in the Family of Investment Companies<sup>*(1)(2)</sup></u>
<b><u>INTERESTED DIRECTOR/NOMINEE:</u></b>		
Mario J. Gabelli	E	E
<b><u>INDEPENDENT DIRECTORS/NOMINEES:</u></b>		
James P. Conn	E	E
Frank J. Fahrenkopf, Jr.	A	C
Michael J. Ferrantino	A	A
William F. Heitmann	E	E
Kuni Nakamura	C	E
Salvatore J. Zizza	D	E

\*Key to Dollar Ranges

A. None

B. \$1 – \$10,000

C. \$10,001 – \$50,000

D. \$50,001 – \$100,000

E. Over \$100,000

All shares were valued as of December 31, 2018.

(1) This information has been furnished by each Director and nominee for election as Director as of December 31, 2018. “Beneficial Ownership” is determined in accordance with Rule 16a-1(a)(2) of the 1934 Act.

(2) The term “Family of Investment Companies” includes two or more registered funds that share the same investment adviser or principal underwriter and hold themselves out to investors as related companies for purposes of investment and investor services. Currently, the registered funds that comprise the “Fund Complex” are identical to

those that comprise the “Family of Investment Companies.”



Set forth in the table below is the amount of shares beneficially owned by each Director, nominee for election as Director, and executive officer of the Fund.

<u>Name of Director/Nominee/Officer</u>	<u>Amount and Nature of Beneficial Ownership<sup>(1)</sup></u>	<u>Percent of Shares Outstanding<sup>(2)</sup></u>
<b><u>INTERESTED DIRECTOR/NOMINEE:</u></b>		
Mario J. Gabelli	2,259,355 <sup>(3)</sup>	*
	29,000 Series G Preferred Shares <sup>(3)</sup>	*
<b><u>INDEPENDENT DIRECTORS/NOMINEES:</u></b>		
James P. Conn	83,679	*
Frank J. Fahrenkopf, Jr.	0	*
Michael J. Ferrantino	0	*
William F. Heitmann	60,701	*
Kuni Nakamura	4,285 <sup>(4)</sup>	*
Salvatore J. Zizza	12,920	*
<b><u>EXECUTIVE OFFICERS:</u></b>		
Bruce N. Alpert	1,894 Common Shares	*
	2,610 Series D Preferred Shares <sup>(5)</sup>	*
	7,389 Series G Preferred Shares <sup>(6)</sup>	*
	11,852 Series H Preferred Shares <sup>(7)</sup>	*
	8,000 Series J Preferred Shares <sup>(8)</sup>	*
John C. Ball	0	*
Andrea R. Mango	0	*
Agnes Mullady	0	*
Richard J. Walz	0	*

This information has been furnished by each Director, including each nominee for election as Director, and (1) executive officer as of December 31, 2018. "Beneficial Ownership" is determined in accordance with Rule 13d-3 of the 1934 Act. Reflects ownership of Common Stock unless otherwise noted.

An asterisk indicates that the ownership amount constitutes less than 1% of the total shares outstanding. The (2) ownership of the Directors, including nominees for election as Director, and executive officers as a group constitutes 1% of the total Common Stock or Preferred Stock outstanding.

Comprised of 1,419,975 shares of Common Stock owned directly by Mr. Gabelli, 69,675 shares of Common Stock (3) owned by a family partnership for which Mr. Gabelli serves as general partner, and 769,705 shares of Common Stock and 29,000 shares of Series G Preferred Stock owned by GAMCO Investors, Inc. or its affiliates.

(4) Mr. Nakamura became a Director of the Fund on May 16, 2018.

(5) All 2,610 shares of Series D Preferred Stock are owned by Mr. Alpert's spouse for which he disclaims beneficial ownership.

(6) Includes 7,389 shares owned by Mr. Alpert's spouse for which he disclaims beneficial ownership.

(7)

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Includes 5,000 shares of Series H Preferred Stock jointly owned by Mr. Alpert and his spouse and 6,852 shares owned by Mr. Alpert's spouse for which he disclaims beneficial ownership.

(8) Includes 4,000 held jointly by Mr. Alpert and his spouse and 4,000 held directly by Mr. Alpert's spouse.

Set forth in the table below is the amount of interests beneficially owned by each Independent Director, nominee for election as an Independent Director or his or her family member, as applicable, in a person, other than a registered investment company, that may be deemed to be controlled by the Fund's Adviser and/or affiliates (including Mario J. Gabelli) and in that event would be deemed to be under common control with the Fund's Adviser.

**Name of Owner and**

**Name of Independent Relationships to**

**Director/Nominee      Director/Nominee**