

SPECIAL OPPORTUNITIES FUND, INC.
Form DEF 14A
October 30, 2015

SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the 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))
- [X] Definitive Proxy Statement
- [] Definitive Additional Materials
- [] Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

SPECIAL OPPORTUNITIES FUND, INC.
(Name of Registrant as Specified in Its Charter)

Payment of Filing Fee (Check the appropriate box):

[X] 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 the 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:

Special Opportunities Fund, Inc.
615 East Michigan Street
Milwaukee, WI 53202

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD DECEMBER 8, 2015

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on December 8, 2015: The Notice of Annual Meeting of Stockholders and Proxy Statement are Available on the Internet at www.specialopportunitiesfundinc.com.

To the Stockholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting (the "Meeting") of holders of shares of the common stock (the "Stockholders") of Special Opportunities Fund, Inc., a Maryland corporation (the "Fund"), will be held on December 8, 2015 at 10:00 a.m., Eastern time, at the offices of Blank Rome LLP, 405 Lexington Avenue, 24th Floor, New York, NY 10174, for the following purposes:

- (1) To elect six Directors to the Fund's Board of Directors, to be elected by the holders of the Fund's common stock, to serve until the Fund's next Annual Meeting of Stockholders in 2016 and until their successors have been duly elected and qualified;
- (2) To transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Board of Directors has fixed the close of business on October 20, 2015 as the record date for the determination of Stockholders entitled to notice of, and to vote at, this Meeting or any adjournment or postponement thereof. The stock transfer books will not be closed.

Copies of the Fund's most recent annual and semi-annual report may be ordered free of charge by any Stockholder by writing to the Fund c/o U.S. Bancorp Fund Services, LLC, 615 East Michigan Street, Milwaukee, Wisconsin 53202, or by telephone at 1-877-607-0414. The Fund's most recent semi-annual report was mailed to Stockholders on August 28, 2015.

You are entitled to vote at the Meeting and any adjournment or postponement thereof if you owned shares of the Fund's common stock at the close of business on October 20, 2015. If you attend the Meeting, you may vote your shares in person. Whether or not you expect to attend the Meeting, please complete, date, sign and return the enclosed proxy card in the enclosed postage paid envelope so that a quorum will be present and the maximum number of shares may be voted. You may change your vote at any time by submitting a later-dated proxy or by voting in person at the Meeting. You may obtain directions to the offices of Blank Rome LLP by contacting U.S. Bancorp Fund Services, LLC directly at 1-877-607-0414.

By Order of the Board of
Directors,

Phillip Goldstein
Chairman of the Board

October 30, 2015

UNLESS YOU EXPECT TO BE PRESENT AT THE MEETING, PLEASE FILL IN,
DATE, SIGN AND MAIL THE ENCLOSED PROXY CARD IN THE ENCLOSED
REPLY ENVELOPE. YOUR PROMPT RESPONSE WILL ASSURE A QUORUM AT
THE MEETING.

INSTRUCTIONS FOR SIGNING PROXY CARDS

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 sign your proxy card properly.

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 on the proxy card.
3. Other Accounts: The capacity of the individual signing the proxy card should be indicated unless it is reflected in the form of registration. For example:

REGISTRATION

Corporate accounts

Valid Signature

- | | |
|---------------------------------------|----------------------------------|
| (1) ABC Corp. | ABC Corp.
John Doe, Treasurer |
| (2) ABC Corp. | John Doe, Treasurer |
| (3) ABC Corp. c/o John Doe, treasurer | John Doe |
| (4) ABC Corp. profit sharing plan | John Doe, Trustee |

Partnership accounts

- | | |
|--|--------------------------------|
| (1) The XYZ partnership | Jane B. Smith, Partner |
| (2) Smith and Jones, limited partnership | Jane B. Smith, General Partner |

Trust accounts

- | | |
|---|----------------------|
| (1) ABC trust account | Jane B. Doe, Trustee |
| (2) Jane B. Doe, trustee u/t/d 12/18/78 | Jane B. Doe |

Custodial or estate accounts

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

SPECIAL OPPORTUNITIES FUND, INC.

615 East Michigan Street
Milwaukee, WI 53202

PROXY STATEMENT FOR
ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON DECEMBER 8, 2015

PROXY STATEMENT

This proxy statement (the "Proxy Statement") is furnished in connection with the solicitation of proxies by the Board of Directors of Special Opportunities Fund, Inc. (the "Fund") for use at the Annual Meeting of Stockholders (the "Meeting") to be held on December 8, 2015, at 10:00 a.m., Eastern time, at the offices of Blank Rome LLP, 405 Lexington Avenue, 24th Floor, New York, NY 10174, and at any and all adjournments or postponements thereof. A form of proxy for each of the holders of shares of the Fund's common stock (the "Stockholders") is enclosed herewith. This Proxy Statement and accompanying forms of proxy are being first mailed to Stockholders on or about October 30, 2015.

The presence, in person or by proxy, of Stockholders entitled to cast a majority of the votes entitled to be cast at the Meeting (i.e., the presence of a majority of the outstanding shares of capital stock of the Fund on the record date, October 20, 2015) is necessary to constitute a quorum for the transaction of business. In the event that a quorum is not present at the Meeting, or if a quorum is present at the Meeting but sufficient votes to approve any of the proposals are not received, the chairman of the Meeting may adjourn the Meeting, or the persons named as proxies may propose one or more adjournments of the Meeting to a date not more than one hundred twenty (120) days after the original record date to permit further solicitation of proxies. Any such adjournment will require the affirmative vote of a majority of those shares represented at the Meeting in person or by proxy. A Stockholder vote may be taken on one or more of the proposals in this Proxy Statement prior to any such adjournment if sufficient votes have been received and it is otherwise appropriate. The persons named as proxies will vote those proxies that they are entitled to vote "FOR" or "AGAINST" any such proposal in their discretion.

Stockholders can vote by Internet by going to the following website address, www.proxyvote.com; by telephone by calling 1-800-454-8683; or by mail by completing the proxy card and returning it in the envelope provided. If the enclosed proxy is executed and returned, or an internet or telephonic vote is delivered, that vote may nevertheless be revoked at any time prior to its use by written notification received by the Fund, by the execution of a later-dated proxy, by the Fund's receipt of a subsequent valid internet or telephonic vote, or by attending the Meeting and voting in person. To be effective, such revocation must be received by the Fund prior to the Meeting and must indicate the Stockholder's name and account number. Unrevoked proxies will be voted in accordance with the specifications therein and, unless specified to the contrary, will be voted "FOR" the election of the nominees for Director.

In general, abstentions and broker non-votes (reflected by signed but unvoted proxies), as defined below, count for purposes of obtaining a quorum but do not count as votes cast with respect to any proposal where the broker does not have discretion. With respect to a proposal requiring the affirmative vote of a majority of the Fund's outstanding

shares of common stock, the effect of abstentions and broker non-votes is the same as a vote against such proposal. Otherwise, abstentions and broker non-votes will have no effect on a proposal requiring a plurality of votes cast for approval (i.e., Proposal 1) or on a proposal which requires a majority of the votes validly cast. Broker non-votes occur when shares, held in the name of the broker or nominees for whom an executed proxy is received by the Fund, are not voted on a proposal because voting instructions have not been received from the beneficial owners or persons entitled to vote and the broker or nominee does not have discretionary voting power.

Only holders of issued and outstanding shares of the Fund's common stock of record on the close of business on October 20, 2015 are entitled to notice of, and to vote at, the Meeting. Each such holder is entitled to one vote per share of common stock so held. On October 20, 2015, there were 10,153,920 shares of the Fund's common stock issued and outstanding. The Fund is a closed-end, management investment company.

A copy of the Fund's most recent semi-annual report for the period ended June 30, 2015 and the Fund's most recent annual report for the fiscal year ended December 31, 2014 may be obtained by visiting the Fund's website at www.specialopportunitiesfundinc.com or may be ordered free of charge by any Stockholder by writing to the Fund c/o U.S. Bancorp Fund Services, LLC, 615 East Michigan Street, Milwaukee, Wisconsin 53202, or by telephone at 1-877-607-0414. These reports are also available on the U.S. Securities and Exchange Commission's (the "SEC") website at www.sec.gov. The Fund's most recent semi-annual report was mailed to Stockholders on August 28, 2015.

Required Vote for Adoption of Proposals.

Proposal 1 (to elect six Directors to the Fund's Board of Directors, to be elected by the holders of the Fund's common stock, to serve until the Fund's next Annual Meeting of Stockholders in 2016 and until their successors have been duly elected and qualified) requires the affirmative vote of a plurality (i.e., a simple majority of the votes cast at the meeting) of the votes cast at the Meeting by the holders of the Fund's common stock, in person or by proxy, on such Proposal, provided a quorum is present.

PROPOSAL 1: TO ELECT SIX DIRECTORS TO THE FUND'S BOARD OF DIRECTORS, TO BE ELECTED BY THE HOLDERS OF THE FUND'S COMMON STOCK, TO SERVE UNTIL THE FUND'S NEXT ANNUAL MEETING OF STOCKHOLDERS IN 2016 AND UNTIL THEIR SUCCESSORS HAVE BEEN DULY ELECTED AND QUALIFIED

The Board of Directors is ordinarily comprised of six Directors. Proposal 1 relates to the election of six Directors, which Directors are to be elected by the holders of the Fund's common stock (the "Stockholders"). The Board of Directors has nominated Andrew Dakos, Gerald Hellerman, Charles Walden, Phillip Goldstein, Ben Harris and Marc Lunder to be elected by the Stockholders. Each of Messrs. Dakos, Hellerman, Walden, Goldstein, Harris and Lunder currently serves on the Board of Directors.

In the event that one or all of the nominees become unavailable for election for any presently unforeseen reason, the persons named in the form of proxy will vote for any successor nominee who shall be designated by the present Board of Directors. Each of Messrs. Dakos, Hellerman, Walden, Goldstein, Harris and Lunder shall be elected by a plurality of the shares of common stock voting at the Meeting.

At the Meeting, the Stockholders will be asked to vote for the election of Messrs. Dakos, Hellerman, Walden, Goldstein, Harris and Lunder. If elected, Messrs. Dakos, Hellerman, Walden, Goldstein, Harris and Lunder will each serve until the Fund's next Annual Meeting of Stockholders in 2016 or thereafter until each of their respective successors are duly elected and qualified. If elected, Messrs. Dakos, Hellerman, Walden, Goldstein, Harris and Lunder have each consented to serve as Director of the Fund until his successor is duly elected and qualified.

The persons named in the accompanying forms of proxy intend to vote at the Meeting (unless directed not to vote) "FOR" the election of Messrs. Dakos, Hellerman, Walden, Goldstein, Harris and Lunder. The nominees named above have indicated that they will serve if elected, and the Board of Directors has no reason to believe that the nominees will become unavailable for election as Directors; however, if Messrs. Dakos, Hellerman, Walden, Goldstein, Harris and Lunder should be unable to serve, the proxy will be voted for any other persons determined by the persons named in the accompanying forms of proxy in accordance with their judgment.

Required Vote. Messrs. Dakos, Hellerman, Walden, Goldstein, Harris and Lunder must each be elected by a plurality (i.e., a simple majority of the votes cast at the Meeting) of the votes cast by the Stockholders, present in person or represented by proxy at the Meeting, provided a quorum is present. Abstentions and broker non-votes will be counted as shares present for quorum purposes, but otherwise will have no effect on the plurality vote required for each Director.

Directors and Officers

Set forth below are the Directors, nominees for Directors and officers of the Fund, and their respective ages, business addresses, positions and terms of office, principal occupations during the past five years, and other directorships held by them at October 20, 2015. Messrs. Harris, Walden and Lunder are each not considered an “interested person” of the Fund within the meaning of the Investment Company Act of 1940, as amended (the “1940 Act”) (each an “Independent Director”). Mr. Hellerman is considered an “interested person” of the Fund within the meaning of the 1940 Act (an “Interested Director”) because he serves as the Fund’s Chief Compliance Officer; however, he is not considered to be an “interested person” of the Adviser. Messrs. Dakos and Goldstein are each considered Interested Directors because of their affiliation with the Adviser and their positions as officers of the Fund.

Name, Address and Age*	Position(s) Held with the Fund	Term of Office and Length of Time Served	Principal Occupation During the Past Five Years	Number of Portfolios in Fund Complex Overseen by Director**	Other Directorships held by Director or Nominee for Director During the Past 5 Years
INTERESTED DIRECTOR NOMINEES					
Andrew Dakos*** (49)	President as of October 2009.	1 year; Since 2009	Member of the Adviser since 2009; Chief Compliance Officer of the Adviser from 2009-2012; Principal of the general partner of several private investment partnerships in the Bulldog Investors group of private funds.	1	Director, The Mexico Equity and Income Fund, Inc.; Director, Emergent Capital, Inc. (f/k/a/ Imperial Holdings, Inc.); Director, BDCA Venture, Inc.; Director, Brantley Capital Corporation (until 2013)
Phillip Goldstein*** (70)	Chairman and Secretary as of October 2009.	1 year; Since 2009	Member of the Adviser since 2009; Principal of the general partner of several private investment partnerships in the Bulldog Investors group of private funds.	1	Chairman, Mexico Equity and Income Fund, Inc.; Director, MVC Capital, Inc.; Director, Emergent Capital, Inc. (f/k/a/ Imperial Holdings, Inc.); Chairman, Brantley Capital Corporation (until 2013); Director, ASA Ltd. (until 2013); Director, Korea

Equity and Income
Fund, Inc. (until
2012).

Name, Address and Age*	Position(s) Held with the Fund	Term of Office and Length of Time Served	Principal Occupation During the Past Five Years	Number of Portfolios in Fund Complex Overseen by Director**	Other Directorships held by Director or Nominee for Director During the Past 5 Years
Gerald Hellerman**** (78)	Chief Compliance Officer as of January 2010.	1 year; Since 2009	Managing Director of Hellerman Associates (a financial and corporate consulting firm) since 1993 (which has terminated activities as of December 31, 2013).	1	Director, Mexico Equity and Income Fund, Inc.; Director, MVC Capital, Inc.; Director, Ironsides Partners Opportunity Offshore Fund Ltd.; Director, Imperial Holdings, Inc.; Director, BDCA Venture, Inc.; Director, Brantley Capital Corporation (until 2013); Director, Old Mutual Absolute Return and Emerging Managers Fund Complex (until 2011); Director, AirNet Systems, Inc. (until 2008);

INDEPENDENT DIRECTOR NOMINEES

Name, Address and Age*	Position(s) Held with the Fund	Term of Office and Length of Time Served	Principal Occupation During the Past Five Years	Number of Portfolios in Fund Complex Overseen by Director**	Other Directorships held by Director or Nominee for Director During the Past 5 Years
Ben H. Harris(47)	Independent Director	1 year; Since 2009	Principal and Director of NHI II, LLC and NBC Bancshares, LLC.	1	None
Charles C. Walden (71)	Independent Director	1 year; Since 2009	President and Owner of Sound Capital Associates, LLC (consulting firm).	1	Lead Trustee, Third Avenue Funds (fund complex consisting of five funds and one variable series trust).
Marc Lunder (52)	Independent Director	1 year; Effective January 1, 2015	Managing Member of Lunder Capital LLC	1	None

OFFICERS

Name, Address and Age*	Position(s) Held with the Fund	Term of Office and Length of Time Served	Principal Occupation During the Past Five Years
Andrew			