

# High Income Securities Fund (PCF) (formerly, Putnam High Income Securities Fund)

## Annual Report For the year ended August 31, 2019

Beginning on January 1, 2021, as permitted by regulations adopted by the U.S. Securities and Exchange Commission, paper copies of the Fund's shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary (such as a broker-dealer or bank). Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications by contacting your financial intermediary (such as a broker-dealer or bank) or, if you are a direct investor, by calling the Fund's Transfer Agent, U.S. Bancorp Fund Services, LLC, at 1-888-898-4107.

You may elect to receive all future reports in paper free of charge. If you invest through a financial intermediary, you can contact your financial intermediary to request that you continue to receive paper copies of your shareholder reports; if you invest directly with the Fund, you can call the Fund's Transfer Agent, U.S. Bancorp Fund Services, LLC, at 1-888-898-4107. Your election to receive reports in paper form will apply to all funds held in your account with your financial intermediary.



# High Income Securities Fund

October 28, 2019

Dear Fellow Shareholders:

In Spring 2018, a proxy contest at the annual shareholder meeting of High Income Securities Fund (f/k/a Putnam High Income Securities Fund) culminated in the election of a new Board of Trustees and the approval of a proposal requesting the Board to authorize a self-tender offer at or close to net asset value (NAV). These developments led Putnam Investment Management, LLC to resign as the Fund's investment adviser. Consequently, "Putnam" was removed from the Fund's name.

The newly elected Trustees determined to have the Fund conduct a self-tender offer (which was completed in March 2019) for the Fund's shares at a price of 99% of NAV. In addition, a special meeting of shareholders was held at which they voted to authorize the de-registration of the Fund as an investment company and, if and when de-registration is effected, to change the Fund's organizational structure from a Massachusetts business trust to a Delaware corporation which is more appropriate for an operating company. All shares that were tendered were accepted, leaving the Fund with net assets of approximately \$52 million. In preparation for the self-tender offer and the potential de-registration, (1) substantially all the Fund's portfolio securities were sold, and the proceeds invested in cash equivalents, and (2) the monthly dividends that were historically paid were discontinued after the August 2018 dividend.

In April 2019, the Fund announced that the Board of Trustees determined to implement a Transitional Investment Strategy to invest, within the parameters of the Fund's existing investment policies and restrictions, in securities that are likely to generate greater income. Meanwhile, a committee of the Board continues to explore potential acquisitions of controlling stakes in operating companies and other investments that are not securities. Despite ratification by shareholders of that plan in August 2019, our efforts have not borne fruit and the plan may be abandoned if we cannot identify an attractive acquisition opportunity in the near future.

A primary focus of the Fund's Transitional Investment Strategy is to acquire discounted shares of income-oriented closed-end investment companies and business development companies. In addition, units or common shares issued by special purpose acquisition companies (or SPACs) may comprise up to 20% of the Fund's portfolio. The Transitional Investment Committee of the Board is comprised of Andrew

# High Income Securities Fund

Dakos, Rajeev Das and me and is responsible for implementing the Transitional Investment Strategy.

As a result of this strategic initiative, in August 2019 the Fund re-commenced paying a monthly dividend at an annual rate of at least 6% (or 0.5% per month), based on the NAV of the Fund's common shares as of June 28, 2019. Also, for the year 2020, as long as the Fund continues to be a registered investment company, it intends to make monthly distributions at an annual rate of at least 6% based on the NAV of the Fund's shares as of the last business day of 2019. The current dividend of \$0.048 per month is significantly higher than the dividend payout under the prior management. We think restoration of the monthly dividend is a primary factor in reducing the discount of the Fund's stock price from NAV, which peaked at more than 14% earlier this year, to approximately 11% recently. Subject to various factors, I am cautiously optimistic that our opportunistic investment strategy will enable the Board to increase the dividend in due course, which we would hope to lead to a further narrowing of the discount to NAV.

While no guarantees can be made about future performance, it should be noted that Mr. Dakos and I own a combined total of 220,000 shares of the Fund. We think our ownership aligns our interest with the interests of our shareholders in seeing the Fund succeed.

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We remind you that from time to time the Fund seeks instructions from shareholders for voting its proxies for certain closed-end funds whose shares the Fund owns. The instruction forms are available at <http://highincomesecuritiesfund.com>. If you would like to receive an email notification when the Fund seeks proxy voting instructions for a closed-end fund whose shares it owns, please email us at [proxyinfo@highincomesecuritiesfund.com](mailto:proxyinfo@highincomesecuritiesfund.com).

Sincerely yours,



Phillip Goldstein  
Chairman

# High Income Securities Fund

## Past Performance at a glance (unaudited)

### Average annual total returns for the periods ended 8/31/2019

Net asset value returns	1 year	5 years	10 years
High Income Securities Fund	2.81%	4.04%	8.19%

Market price returns			
High Income Securities Fund	-7.56%	3.66%	7.50%

Index returns			
ICE BofA Merrill Lynch 6 Month Treasury Bill Index	2.61%	1.13%	0.68%

Share price as of 8/31/19		
Net asset value		\$9.49
Market price		\$8.24

Effective after the close of business on July 23, 2018, the Fund became internally managed and did not pay any management fees for the year ended August 31, 2019. Generally, the Fund invests in securities of discounted shares of income-oriented closed-end investment companies, business development companies and Special Purpose Acquisition Vehicles.

Accordingly, the information presented in this annual report with respect to the actions and results of the Fund are not meaningful in making any conclusions as to the future performance of the Fund. See Note 8.

Past performance does not predict future performance. The return and value of an investment will fluctuate so that an investor's share, when sold, may be worth more or less than their original cost. The Fund's common stock net asset value ("NAV") return assumes, for illustration only, that dividends and other distributions, if any, were reinvested at the NAV on the ex-dividend date for dividends and other distributions. The Fund's common stock market price returns assume that all dividends and other distributions, if any, were reinvested at prices obtained under the Fund's Dividend Reinvestment Plan (which was terminated on September 12, 2018) for dividends and other distributions payable through September 11, 2018 and reinvested at the lower of the NAV or the closing market price on the ex-dividend date for dividends and other distributions payable after September 11, 2018, and does not account for taxes.

# High Income Securities Fund

## Portfolio composition as of 8/31/2019<sup>(1)</sup> (unaudited)

	Value	Percent
Investment Companies	\$38,649,778	73.18%
Special Purpose Acquisition Vehicles	10,316,156	19.53
Money Market Funds	3,635,102	6.88
Warrants	92,674	0.18
Corporate Notes	46,400	0.09
Convertible Preferred Stocks	28,890	0.06
Other Common Stocks	20,343	0.04
Rights	6,615	0.01
Convertible Notes	116	0.00
Senior Secured Notes	0	0.00
<b>Total Investments</b>	<b>\$52,796,074</b>	<b>99.97%</b>
Other Assets in Excess of Liabilities	16,138	0.03
<b>Total Net Assets</b>	<b>\$52,812,212</b>	<b>100.00%</b>

<sup>(1)</sup> As a percentage of net assets.

# High Income Securities Fund

Portfolio of investments—August 31, 2019

	Shares	Value
<b>INVESTMENT COMPANIES—73.18%</b>		
<b>Closed-End Funds—56.97%</b>		
Eaton Vance Floating Rate Income Fund	168,484	\$ 2,542,424
Eaton Vance Limited Duration Income Fund	204,650	2,562,218
Eaton Vance Senior Income Trust	165,329	1,001,894
First Trust High Income Long/Short Fund	150,000	2,214,000
First Trust Senior Floating Rate 2022 Target Term Fund	62,104	558,315
First Trust Senior Floating Rate Income Fund II	6,100	71,492
Franklin Universal Trust	245,462	1,809,055
Highland Income Fund	73,652	961,895
Invesco Dynamic Credit Opportunities Fund	226,646	2,459,109
Invesco High Income Trust II	21,990	313,577
Invesco Senior Income Trust	590,964	2,446,591
Neuberger Berman High Yield Strategies Fund, Inc.	11,557	136,873
New America High Income Fund, Inc.	76,284	666,722
Nuveen Credit Strategies Income Fund	20,757	155,677
PGIM Global High Yield Fund, Inc.	163,551	2,306,069
PGIM High Yield Bond Fund, Inc.	65,850	950,874
Pioneer Diversified High Income Trust	66,018	941,417
Vertical Capital Income Fund	310,942	3,283,547
Western Asset Corporate Loan Fund, Inc.	296,865	2,790,531
Western Asset Global High Income Fund, Inc.	56,209	548,038
Western Asset High Income Opportunity Fund, Inc.	273,365	1,369,559
		30,089,877
<b>Business Development Companies—16.21%</b>		
Alcentra Capital Corp.	280,500	2,516,085
Apollo Investment Corp.	51,300	838,755
Barings BDC, Inc.	229,243	2,292,430
FS KKR Capital Corp.	397,039	2,243,270
OHA Investment Corp.	5,636	7,327
WhiteHorse Finance, Inc.	49,777	662,034
		8,559,901
<b>Total Investment Companies (\$38,759,705)</b>		<b>38,649,778</b>

The accompanying notes are an integral part of these financial statements.

# High Income Securities Fund

Portfolio of investments—August 31, 2019

	Shares	Value
<b>CONVERTIBLE PREFERRED STOCKS—0.06%</b>		
<b>Basic Materials—0.00%</b>		
Smurfit-Stone Container Corp. Escrow, 0% (a)(c)	65,720	\$ 657
<b>Energy—0.06%</b>		
Nine Point Energy, 6.75% (a)(c)	24	28,233
<b>Total Convertible Preferred Stocks (Cost \$24,000)</b>		<b>28,890</b>
<b>OTHER COMMON STOCKS—0.04%</b>		
<b>Energy—0.04%</b>		
MWO Holdings, LLC Units (a)(c)	39	3,159
Nine Point Energy (a)(c)	1,190	17,184
<b>Total Other Common Stocks (Cost \$40,372)</b>		<b>20,343</b>
	Shares/Units	
<b>SPECIAL PURPOSE ACQUISITION VEHICLES—19.53%</b>		
Agba Acquisition Ltd. (a)(g)	36,750	364,560
Alberton Acquisition Corp. (a)(g)	50,000	509,500
Churchill Capital Corp. II (a)	88,662	882,187
Fellazo, Inc. Units (a)(g)	50,000	499,505
Forum Merger II Corp. (a)	55,000	555,500
GigCapital2, Inc. Units (a)	102,250	1,030,568
Gordon Pointe Acquisition Corp (a)	100,411	1,047,287
Haymaker Acquisition Corp. II Units (a)	40,342	417,540
Landcadia Holdings II, Inc. Units (a)	69,000	691,035
Leisure Acquisition Corp. (a)	14,563	148,688
Pivotal Investment Corp. II Units (a)	15,000	151,950
RMG Acquisition Corp. Units (a)	100,000	1,007,000
SC Health Corp. Units (a)(g)	45,515	471,080
Sentinel Energy Services, Inc. (a)	50,000	512,000
Trinity Merger Corp. (a)	22,750	235,917
Tuscan Holdings Corp. II (a)	183,966	1,791,829
Tuscan Holdings Corp. II Units (a)	1	10
<b>Total Special Purpose Acquisition Vehicles (Cost \$10,217,589)</b>		<b>10,316,156</b>

The accompanying notes are an integral part of these financial statements.



# High Income Securities Fund

Portfolio of investments—August 31, 2019

	Principal Amount	Value
<b>CONVERTIBLE NOTES—0.00%</b>		
<b>Communication Services—0.00%</b>		
Powerwave Technologies, Inc. Unsecured		
3.875%, 10/01/2027 (a)(b)(c)(d)	\$1,160,000	\$ 116
<b>Total Convertible Notes (Cost \$1,033,950)</b>		<b>116</b>
<b>CORPORATE NOTES—0.09%</b>		
<b>Communication Services—0.09%</b>		
Windstream Services, LLC Company Guaranty Senior Unsecured		
9.000%, 06/30/2025 (b)(d)(f)	80,000	46,400
<b>Total Corporate Notes (Cost \$92,636)</b>		<b>46,400</b>
<b>SENIOR SECURED NOTES—0.00%</b>		
<b>Communications Equipment—0.00%</b>		
Awaya, Inc. Escrow		
7.000%, 04/01/2019 (a)(b)(c)(d)	300,000	0
<b>Total Senior Secured Notes (Cost \$0)</b>		<b>0</b>
	Shares	
<b>RIGHTS—0.01%</b>		
Agba Acquisition Ltd. (Expiration: February 16, 2021) (a)(g)	36,750	6,615
<b>Total Rights (Cost \$4,510)</b>		<b>6,615</b>
<b>WARRANTS—0.18%</b>		
Agba Acquisition Ltd. (a)(g)		
Expiration: May 2024		
Exercise Price: \$11.50	36,750	3,859
Churchill Capital Corp. (a)		
Expiration: July 2024		
Exercise Price: \$11.50	29,554	35,465
Tuscan Holdings Corp. II (a)		
Expiration: July 2025		
Exercise Price: \$11.50	91,983	53,350
<b>Total Warrants (Cost \$87,289)</b>		<b>92,674</b>

The accompanying notes are an integral part of these financial statements.

# High Income Securities Fund

Portfolio of investments—August 31, 2019

	Shares	Value
<b>MONEY MARKET FUNDS—6.88%</b>		
Fidelity Institutional Government Portfolio—Class I, 2.00% (e)	1,817,551	\$ 1,817,551
STIT-Treasury Portfolio—Institutional Class, 1.99% (e)	1,817,551	1,817,551
<b>Total Money Market Funds (Cost \$3,635,102)</b>		<b>3,635,102</b>
Total Investments (Cost \$53,895,153)—99.97%		52,796,074
Other Assets in Excess of Liabilities—0.03%		16,138
<b>TOTAL NET ASSETS—100.00%</b>		<b>\$52,812,212</b>

Percentages are stated as a percent of net assets.

- (a) Non-income producing security.
- (b) The coupon rate shown represents the rate at August 31, 2019.
- (c) Fair valued securities. The total market value of these securities was \$49,349, representing 0.09% of net assets. Value determined using significant unobservable inputs.
- (d) Default or other conditions exist and security is not presently accruing income.
- (e) The rate shown represents the 7-day yield at August 31, 2019.
- (f) Restricted security as to resale. As of report date, the Fund held a restricted security with a current value of \$46,400, acquired January 8, 2013, which was 0.09% of its net assets.
- (g) Foreign-issued security.

The accompanying notes are an integral part of these financial statements.

# High Income Securities Fund

## Statement of assets and liabilities—August 31, 2019

### Assets:

Investments, at value (Cost \$53,895,153)	\$52,796,074
Dividends and interest receivable	48,878
Receivable for investments sold	51,485
Other assets	23,455
Total assets	\$52,919,892

### Liabilities:

Administration fees payable	16,436
Chief Compliance Officer fees payable	7,497
Director fees payable	2,846
Audit fees payable	52,502
Fund accounting fees payable	455
Custody fees payable	1,623
Legal fees payable	19,852
Transfer Agent fees payable	6,021
Accrued expenses and other liabilities	448
Total liabilities	107,680
Net assets	\$52,812,212

### Net assets consist of:

Paid-in Capital (Unlimited shares authorized)	\$53,929,631
Accumulated deficit	(1,117,419)
Net assets	\$52,812,212
Net asset value per share (\$52,812,212 applicable to 5,565,006 shares outstanding)	\$9.49

The accompanying notes are an integral part of these financial statements.

# High Income Securities Fund

## Statement of operations

	For the year ended August 31, 2019
<b>Investment income:</b>	
Dividends	\$ 617,274
Interest	1,729,079
Total investment income	2,346,353
<b>Expenses:</b>	
Legal fees and expenses	234,399
Trustees' fees and expenses	201,611
Administration and accounting fees	108,034
Transitional Investment Committee fees (See Note 8)	104,167
Compliance fees and expenses	90,247
Officer fees	75,000
Reports and notices to shareholders	71,429
Audit fees	52,165
Transfer agency fees and expenses	51,829
Stock exchange listing fees	42,468
Insurance fees	14,957
Proxy expenses	10,171
Custody fees and expenses	3,829
Other expenses	21,497
Net expenses	1,081,803
Net investment income	1,264,550
<b>Net realized and unrealized gains (losses) from investment activities:</b>	
Net realized gain from investments	89,219
Change in net unrealized depreciation on investments	(47,157)
Net realized and unrealized gains from investment activities	42,062
Increase in net assets resulting from operations	\$1,306,612

The accompanying notes are an integral part of these financial statements.

# High Income Securities Fund

## Statements of changes in net assets applicable to common shareholders

	For the year ended August 31, 2019	For the year ended August 31, 2018
<b>From operations:</b>		
Net investment income	\$ 1,264,550	\$ 2,834,618
Net realized gain on investments, forward foreign currency contracts and foreign currency translations	89,219	10,943,544
Net unrealized depreciation on investments, forward foreign currency contracts and foreign currency translations	(47,157)	(7,682,040)
Net increase in net assets resulting from operations	1,306,612	6,096,122
<b>Distributions paid to shareholders:</b>		
Net dividends and distributions	(5,620,676)	(4,028,706)*
Total dividends and distributions paid to shareholders	(5,620,676)	(4,028,706)
<b>Capital Stock Transactions (Note 5)</b>		
Repurchase of common stock	—	(419,079)
Repurchase of common stock through tender offer	(68,129,484)	—
Total capital stock transactions	(68,129,484)	(419,079)
Net increase (decrease) in net assets applicable to common shareholders	(72,443,548)	1,648,337
<b>Net assets applicable to common shareholders:</b>		
Beginning of year	\$125,255,760	\$123,607,423
End of year	\$ 52,812,212	\$125,255,760**
<b>Number of Fund Shares</b>		
Shares outstanding at beginning of year	12,930,356	12,977,001
Shares repurchased	(7,365,350)	(46,645)
Shares outstanding at end of year	5,565,006	12,930,356

\* Includes net investment income distributions of \$4,028,706.

\*\* Includes accumulated undistributed net investment loss of \$(1,026,368).

The accompanying notes are an integral part of these financial statements.

# High Income Securities Fund

## Financial highlights

Selected data for a share of common stock outstanding throughout each year is presented below:

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**Net asset value, beginning of year**

Net investment income<sup>(1)</sup>

Net realized and unrealized gains (losses) from investment activities

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**Total from investment operations**

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**Less distributions:**

Net investment income

Net realized gains from investment activities

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**Total distributions**

Increase from shares repurchased

Anti-dilutive effect of tender offer

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**Net asset value, end of year**

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**Market price, end of year**

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**Total market price return<sup>(2)</sup>**

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**Ratio to average net assets:**

Ratio of expenses to average net assets

Ratio of net investment income to average net assets

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**Supplemental data:**

Net assets, end of year (000's)

Portfolio turnover

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(1) Per share net investment income has been determined on the basis of the weighted average number of shares outstanding during the period.

(2) Total market price return is calculated assuming a \$10,000 purchase of common stock at the current market price on the first day of each period reported and a sale at the current market price on the last day of each period reported, and assuming reinvestment of dividends and other distributions to common shareholders at prices obtained under the Fund's Dividend Reinvestment Plan (which was terminated on September 12, 2018).

(3) Includes amounts paid through expense offset and brokerage/service arrangements, if any.

(4) Includes 0.28% of increased proxy fees related to the 2017 annual shareholder meeting.

(5) Amount represents less than \$0.01 per share.

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The accompanying notes are an integral part of these financial statements.

# High Income Securities Fund

## Financial highlights (continued)

For the year ended August 31,				
2019	2018	2017	2016	2015
\$9.69	\$9.53	\$8.92	\$8.67	\$9.56
0.13	0.22	0.30	0.35	0.35
0.01	0.25	0.66	0.17	(0.95)
0.14	0.47	0.96	0.52	(0.60)
(0.05)	(0.31)	(0.37)	(0.37)	(0.37)
(0.41)	—	—	—	—
(0.46)	(0.31)	(0.37)	(0.37)	(0.37)
—	0.00 <sup>(5)</sup>	0.02	0.10	0.08
0.12	—	—	—	—
\$9.49	\$9.69	\$9.53	\$8.92	\$8.67
\$8.24	\$9.38	\$8.77	\$8.02	\$7.33
-7.56%	10.65%	14.19%	14.96%	-10.87%
1.18%	1.47% <sup>(3)</sup>	1.22% <sup>(3)(4)</sup>	0.94% <sup>(3)</sup>	0.90% <sup>(3)</sup>
1.38%	2.26%	3.29%	4.15%	3.86%
\$52,812	\$125,256	\$123,607	\$118,530	\$127,027
43%	49%	50%	26%	35%

# High Income Securities Fund

## Notes to financial statements

High Income Securities Fund (formerly, Putnam High Income Securities Fund) (the “Fund”) is a Massachusetts business trust, which is registered under the Investment Company Act of 1940, as amended, as a diversified closed-end management investment company. Effective July 24, 2018 the Fund changed its name to High Income Securities Fund.

The goal of the Fund continues to be to provide high current income as a primary objective and capital appreciation as a secondary objective. The Fund pursues its objective primarily by investing, under normal circumstances, at least 80% of its net assets in fixed income securities, including debt instruments, convertible securities and preferred stocks. The Fund also invests in high-yielding non-convertible securities with the potential for capital appreciation. Please see Subsequent Events Note 8 regarding the Fund’s Transitional Investment Strategy.

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 “Financial Services – Investment Companies”.

The Fund’s shares trade on a stock exchange at market prices, which may be lower than the Fund’s net asset value.

In the normal course of business, the Fund enters into contracts that may include agreements to indemnify another party under given circumstances. The Fund’s maximum exposure under these arrangements is unknown as this would involve future claims that may be, but have not yet been made against the Fund. However, the Trustees expect the risk of material loss to be remote.

Under the Fund’s Agreement and Declaration of Trust, any claims asserted against or on behalf of the Fund, including claims against Trustees and Officers, must be brought in state and federal courts located within the Commonwealth of Massachusetts.

### **Note 1: Significant accounting policies**

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The preparation of financial statements is in conformity with accounting principles generally accepted in the United States of America and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and the reported amounts of increases and decreases in net assets from operations. Actual results could differ from those estimates.

**Security valuation**—Portfolio securities and other investments are valued using policies and procedures adopted by the Trustees. The Trustees have formed a Valuation Committee to oversee the implementation of these procedures.



# High Income Securities Fund

## Notes to financial statements

Investments for which market quotations are readily available are valued at the last reported sales price on their principal exchange, or official closing price for certain markets, and are classified as Level 1 securities under Accounting Standards Codification 820 Fair Value Measurements and Disclosures (ASC 820). If no sales are reported, as in the case of some securities that are traded OTC, a security is valued at its last reported bid price and is generally categorized as a Level 2 security.

Investments in open-end investment companies (excluding exchange-traded funds), if any, which can be classified as Level 1 or Level 2 securities, are valued based on their net asset value. The net asset value of such investment companies equals the total value of their assets less their liabilities and divided by the number of their outstanding shares.

Market quotations are not considered to be readily available for certain debt obligations (including short-term investments with remaining maturities of 60 days or less) and other investments; such investments are valued on the basis of valuations furnished by an independent pricing service approved by the Trustees. Such services or dealers determine valuations for normal institutional-size trading units of such securities using methods based on market transactions for comparable securities and various relationships, generally recognized by institutional traders, between securities (which consider such factors as security prices, yields, maturities and ratings). These securities will generally be categorized as Level 2.

Many securities markets and exchanges outside the U.S. close prior to the scheduled close of the New York Stock Exchange and therefore the closing prices for securities in such markets or on such exchanges may not fully reflect events that occur after such close but before the scheduled close of the New York Stock Exchange. Accordingly, on certain days, the Fund will fair value certain foreign equity securities taking into account multiple factors including movements in the U.S. securities markets, currency valuations and comparisons to the valuation of American Depository Receipts, exchange-traded funds and futures contracts. The foreign equity securities, which would generally be classified as Level 1 securities, will be transferred to Level 2 of the fair value hierarchy when they are valued at fair value. The number of days on which fair value prices will be used will depend on market activity and it is possible that fair value prices will be used by the Fund to a significant extent. Securities quoted in foreign currencies, if any, are translated into U.S. dollars at the current exchange rate.

To the extent a pricing service or dealer is unable to value a security, the security will be valued at fair value in accordance with policies and procedures approved by the Trustees. Certain investments, including certain restricted and illiquid

# High Income Securities Fund

## Notes to financial statements

securities and derivatives, are also valued at fair value following procedures approved by the Trustees. These valuations consider such factors as significant market or specific security events such as interest rate or credit quality changes, various relationships with other securities, discount rates, U.S. Treasury, U.S. swap and credit yields, index levels, convexity exposures, recovery rates, sales and other multiples and resale restrictions. These securities are classified as Level 2 or as Level 3 depending on the priority of the significant inputs.

To assess the continuing appropriateness of fair valuations, the Valuation Committee reviews and affirms the reasonableness of such valuations on a regular basis after considering all relevant information that is reasonably available. Such valuations and procedures are reviewed periodically by the Trustees. The fair value of securities is generally determined as the amount that the Fund could reasonably expect to realize from an orderly disposition of such securities over a reasonable period of time. By its nature, a fair value price is a good faith estimate of the value of a security in a current sale and does not reflect an actual market price, which may be different by a material amount.

The Fund has adopted fair valuation accounting standards that establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various input and valuation techniques used in measuring fair value. Fair value inputs are summarized in the three broad levels listed below:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2—Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3—Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

# High Income Securities Fund

## Notes to financial statements

The following is a summary of the fair valuations according to the inputs used as of August 31, 2019 in valuing the Fund's investments:

	Quoted Prices in Active Markets for Identical Investments (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Investment Companies				
Closed-End Funds	\$30,089,877	\$ —	\$ —	\$30,089,877
Business Development Companies	8,559,901	—	—	8,559,901
Convertible Preferred Stocks				
Basic Materials	—	—	657	657
Energy	—	—	28,233	28,233
Other Common Stocks				
Energy	—	—	20,343	20,343
Special Purpose Acquisition Vehicles	8,011,079	2,305,077	—	10,316,156
Convertible Notes	—	—	116	116
Corporate Notes	—	46,400	—	46,400
Senior Secured Notes	—	—	0	0
Rights	—	6,615	—	6,615
Warrants	—	92,674	—	92,674
Money Market Funds	3,635,102	—	—	3,635,102
Total	\$50,295,959	\$2,450,766	\$49,349	\$52,796,074

At the start and close of the reporting period, Level 3 investments in securities represented less than 1% of the fund's net assets and were not considered a significant portion of the fund's portfolio.

The average monthly shares amount of warrants during the period was 13,191. The average monthly market value of warrants during the period was \$7,723.

The fair value of derivative instruments as reported within the Schedule of Investments as of August 31, 2019:

Derivatives not accounted for as hedging instruments	Statement of Assets & Liabilities Location	Value
Equity Contracts – Warrants	Investments, at value	\$92,674

# High Income Securities Fund

## Notes to financial statements

The effect of derivative instruments on the Statement of Operations for the period ended August 31, 2019:

Derivatives not accounted for as hedging instruments	Amount of Realized Gain on Derivatives Recognized in Income	
	Statement of Operations Location	Value
Equity Contracts – Warrants	Net Realized Gain on Investments	\$ —

Derivatives not accounted for as hedging instruments	Change in Unrealized Appreciation (Depreciation) on Derivatives Recognized in Income	
	Statement of Operations Location	Total
Equity Contracts – Warrants	Net change in unrealized appreciation of investments	\$5,385

**Investment transactions and investment income**—Security transactions and related investment income security transactions are recorded on the trade date (the date the order to buy or sell is executed). Realized gains or losses on securities sold are determined on the identified cost basis. Interest income, net of any applicable withholding taxes, is recorded on the accrual basis. Dividend income, net of any applicable withholding taxes, is recognized on the ex-dividend date except that certain dividends from foreign securities, if any, are recognized as soon as the Fund is informed of the ex-dividend date. Non-cash dividends, if any, are recorded at the fair value of the securities received. Discounts are accreted and premiums are amortized using the constant yield method as adjustments to interest income and the identified cost of investments. Dividends representing a return of capital or capital gains, if any, are reflected as a reduction of cost and/or as a realized gain.

**Foreign currency translation**—The accounting records of the Fund are maintained in U.S. dollars. The fair value of foreign securities, currency holdings, and other assets and liabilities is recorded in the books and records of the Fund after translation to U.S. dollars based on the exchange rates on that day. The cost of each security is determined using historical exchange rates. Income and withholding taxes are translated at prevailing exchange rates when earned or incurred. The Fund does not isolate that portion of realized or unrealized gains or losses resulting from changes in the foreign exchange rate on investments from fluctuations arising from changes in the market prices of the securities. Such gains and losses are included with the net realized and unrealized gain or loss on investments. Net realized gains and losses on foreign currency transactions represent net realized exchange gains or losses on disposition of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions and the difference between the amount of investment income and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent amounts actually received or paid. Net unrealized appreciation and depreciation of assets and liabilities in foreign currencies arise from changes in the value of assets and liabilities other than investments at the period end, resulting from changes in the exchange rate.

# High Income Securities Fund

## Notes to financial statements

### Note 2: Federal tax status

The Fund has elected to be taxed as a “regulated investment company” and intends to distribute substantially all of its taxable income within the prescribed time period and otherwise comply with the provisions of the Internal Revenue Code of 1986, as amended (the Code), applicable to regulated investment companies. It is also the intention of the Fund to distribute an amount sufficient to avoid imposition of any excise tax under Section 4982 of the Code.

The tax character of distributions paid to shareholders during the fiscal year ended August 31, 2019 are as follows:

Ordinary Income	\$ 312,843
Distribution in excess	5,307,833
Total distributions paid	\$5,620,676

The Fund is subject to the provisions of Accounting Standards Codification 740 Income Taxes (ASC 740). ASC 740 sets forth a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return. The Fund did not have a liability to record for any unrecognized tax benefits in the accompanying financial statements. No provision has been made for federal taxes on income, capital gains or unrealized appreciation on securities held nor for excise tax on income and capital gains. Each of the Fund’s federal tax returns for the prior three fiscal years remains subject to examination by the Internal Revenue Service.

The Fund may also be subject to taxes imposed by governments of countries in which it invests. Such taxes are generally based on either income or gains earned or repatriated. The Fund accrues and applies such taxes to net investment income, net realized gains and net unrealized gains as income and/or capital gains are earned. In some cases, the Fund may be entitled to reclaim all or a portion of such taxes, and such reclaim amounts, if any, are reflected as an asset on the Fund’s books. In many cases, however, the Fund may not receive such amounts for an extended period of time, depending on the country of investment.

At August 31, 2019, the Fund did not defer, on a tax basis, late year losses.

At August 31, 2019, the Fund did not have any capital loss carryover available to offset future net capital gain.

**Distributions to shareholders**—Distributions to shareholders from net investment income are recorded by the Fund on the ex-dividend date. Distributions from capital gains, if any, are recorded on the ex-dividend date and paid at least annually. The amount and character of income and gains to be distributed are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. These differences include temporary and/or permanent differences from losses on wash sale transactions, from nontaxable dividends, from

# High Income Securities Fund

## Notes to financial statements

dividends payable, from amortization and accretion, from contingent payment debt and from deemed distributions. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal tax-basis treatment; temporary differences do not require reclassification.

Reclassifications are made to the Fund's capital accounts to reflect income and gains available for distribution (or available capital loss carryovers) under income tax regulations. At the close of the reporting period, the Fund reclassified \$5,274,935 to decrease paid-in capital and \$5,274,935 to increase total distributable earnings.

Tax cost of investments includes adjustments to net unrealized appreciation (depreciation) which may not necessarily be final tax cost basis adjustments, but closely approximate the tax basis unrealized gains and losses that may be realized and distributed to shareholders. The tax basis components of distributable earnings and the federal tax cost as of the close of the reporting period were as follows:

Tax cost of investments	\$ 53,913,493
Unrealized appreciation	652,978
Unrealized depreciation	(1,770,397)
Net unrealized depreciation	(1,117,419)
Undistributed ordinary income	—
Undistributed long-term gains	—
Total distributable earnings	—
Other accumulated gains/losses and other temporary differences	—
Total accumulated losses	\$ (1,117,419)

### **Note 3: Management fee, administrative services and other transactions**

Effective after the close of business on July 23, 2018, the Fund became internally managed and did not pay any management fees for the year ended August 31, 2019.

U.S. Bancorp Fund Services, LLC doing business as U.S. Bank Global Fund Services ("Fund Services"), an indirect wholly-owned subsidiary of U.S. Bancorp, acts as the Fund's Administrator under an Administration Agreement. Fund Services prepares various federal and state regulatory filings, reports and returns for the Fund; prepares reports and materials to be supplied to the Trustees; monitors the activities of the Fund's custodian, transfer agent and accountants; coordinates the preparation and payment of the Fund's expenses; and reviews the Fund's expense accruals. Fund Services also serves as the Fund's fund accountant and U.S. Bank, N.A. ("U.S. Bank"), an affiliate of Fund Services, serves as the Fund's custodian. Effective after the close of business on September 7, 2018, U.S. Bancorp Fund Services, LLC acts as the transfer agent of the Fund.

# High Income Securities Fund

## Notes to financial statements

Prior to the close of business on September 7, 2018, Putnam Investor Services, Inc. provided investor servicing agent functions to the Fund. Putnam Investor Services, Inc. was paid a monthly fee for investor servicing at an annual rate of 0.05% of the Fund's average daily net assets. The amounts incurred for investor servicing agent functions during the period September 1, 2018 through September 7, 2018 are included in Transfer Agent fees.

### **Note 4: Purchases and sales of securities**

During the year ended August 31, 2019, the cost of purchases and the proceeds from sales, excluding short-term investments, were as follows:

	<b>Cost of purchases</b>	<b>Proceeds from sales</b>
Investments in securities (Long-term)	\$54,602,165	\$5,563,521
U.S. government securities (Long-term)	—	—
Total	\$54,602,165	\$5,563,521

### **Note 5: Capital share transactions**

Repurchases are made when the Fund's shares are trading at less than net asset value and in accordance with procedures approved by the Fund's Previous Trustees.

In September 2017, the Previous Trustees approved the renewal of the repurchase program to allow the Fund to repurchase up to 10% of its outstanding common shares over the 12-month period ended October 9, 2018 (based on shares outstanding as of October 9, 2017). For the year ended August 31, 2018, the Fund repurchased 46,645 common shares for an aggregate purchase price of \$419,079, which reflects a weighted-average discount from net asset value per share of 7.71%. The weighted-average discount reflects the payment of commissions by the Fund to execute repurchase trades.

For the period September 1, 2018 through October 9, 2018 there were no common shares repurchased.

The Fund completed an offering to purchase up to 55% of the Fund's shares outstanding of the Fund at 99% of the net asset value ("NAV") per common share on March 15, 2019. At the expiration of the offer on March 18, 2019, a total of 7,365,350 shares or approximately 56.96% of the Fund's outstanding common shares were validly tendered. As the total number of shares tendered exceeded the number of shares the Fund offered to purchase and in accordance with the rules of the Securities and Exchange Commission allowing the Fund to purchase additional shares not to exceed 2% of the outstanding shares (approximately 258,607 shares) without amending or extending the offer, the Fund elected to purchase all shares tendered at a price of \$9.25 per share (99% of the NAV of \$9.34).

# High Income Securities Fund

## Notes to financial statements

### **Note 6: Market, credit and other risks**

In the normal course of business, the Fund trades financial instruments and enters into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the contracting party to the transaction to perform (credit risk). The Fund may be exposed to additional credit risk that an institution or other entity with which the Fund has unsettled or open transactions will default. Investments in foreign securities involve certain risks, including those related to economic instability, unfavorable political developments, and currency fluctuations. The Fund may invest in higher-yielding, lower-rated bonds that may have a higher rate of default.

### **Note 7: Senior loan commitments**

Senior loans are purchased or sold on a when-issued or delayed delivery basis and may be settled a month or more after the trade date, which from time to time can delay the actual investment of available cash balances; interest income is accrued based on the terms of the securities. Senior loans can be acquired through an agent, by assignment from another holder of the loan, or as a participation interest in another holder's portion of the loan. When the Fund invests in a loan or participation, the Fund is subject to the risk that an intermediate participant between the Fund and the borrower will fail to meet its obligations to the Fund, in addition to the risk that the borrower under the loan may default on its obligations. The Fund does not have any senior loan commitments outstanding as of the end of the fiscal year.

### **Note 8: Other Matters**

Shareholders approved a proposal authorizing the Board of Trustees to take steps to cause the Fund to cease to be a registered investment company (RIC) if the Board determines to proceed. A committee of the Board has been exploring potential acquisitions of controlling stakes in operating companies and other investments that are not securities. Among other factors, the results of that exercise will assist the Board in determining whether the Fund should cease to be a RIC.

During this transitional period, the Board has determined that the Fund should continue to be internally managed and, within the parameters of its existing investment policies and restrictions, invest in securities that are likely to generate greater income (the "Transitional Investment Strategy"). The primary focus of the Transitional Investment Strategy will be to acquire discounted shares of income-oriented closed-end investment companies and business development companies. Despite ratification by shareholders of that plan in August 2019, our efforts have not borne fruit and the plan may be abandoned if we cannot identify an attractive acquisition opportunity in the near future. A Transitional Investment Committee of the Board comprised of Phillip Goldstein, Andrew Dakos, and Rajeev Das is responsible for implementing the Transitional Investment Strategy.



# High Income Securities Fund

## Notes to financial statements

**Accordingly, the information presented in this annual report with respect to the actions and results of the Fund are not meaningful in making any conclusions as to the future performance of the Fund whether or not it de-registers as an investment company in the future.**

### **Note 9: Subsequent Events**

The Board of Trustees has evaluated subsequent events after August 31, 2019 and through the date the financial statements were issued and determined there were no subsequent events that would require recognition or disclosure in financial statements.

# High Income Securities Fund

## Report of Independent Registered Public Accounting Firm

### To the Shareholders and Board of Trustees of High Income Securities Fund

#### Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of the High Income Securities Fund (the "Fund"), including the schedule of investments, as of August 31, 2019, the related statement of operations for the year then ended, the statements of changes in net assets and financial highlights for each of the two years in the period then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of August 31, 2019, the results of its operations for the year then ended, the changes in its net assets and the financial highlights for each of the two years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

The financial highlights for each of the three years in the period ended August 31, 2017 were audited by other auditors whose report dated October 19, 2017, expressed an unqualified opinion on those financial statements and financial highlights.

#### Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the Fund's auditor since 2018.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of August 31, 2019 by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

**TAIT, WELLER & BAKER LLP**

**Philadelphia, Pennsylvania**  
**October 28, 2019**

# High Income Securities Fund

## General information (unaudited)

### The Fund

High Income Securities Fund (the “Fund”) is a diversified, closed-end management investment company whose common shares trade on the New York Stock Exchange (“NYSE”). The Fund’s NYSE trading symbol is “PCF.”

### Tax information

The Fund designated 3.61% of its ordinary income distribution for the year ended August 31, 2019, as qualified dividend income under the Jobs and Growth Tax Relief Reconciliation Act of 2003.

For the year ended August 31, 2019, 2.85% of dividends paid from net ordinary income qualified for the dividends received deduction available to corporate shareholders.

### Annual meeting of shareholders held on August 21, 2019

The Fund held an annual meeting of shareholders on August 21, 2019 to vote on the following matters:

The presence, in person or by proxy, of shareholders entitled to cast a majority of the votes entitled to be cast at the Meeting (i.e., the presence of a majority of the shares outstanding on the record date of July 1, 2019) was necessary to constitute a quorum for the transaction of business. At the Meeting, the holders of approximately 85.565% of the outstanding shares as of the record date were represented in person or by proxy (4,761,710 votes), thus constituting a quorum for the matters to be voted upon by all shareholders at the Meeting.

At the meeting, the vote on the election of the nominees as the Fund’s Trustees were approved, as follows:

Trustee Nominee	Votes For	Votes Withheld
Phillip Goldstein	3,960,908	800,802
Rajeev Das	4,044,312	717,398
Andrew Dakos	4,062,397	699,313
Richard Dayan	4,577,254	184,456
Gerald Hellerman	3,951,774	809,936
Ben H. Harris	4,577,254	184,456
Moritz Sell	4,568,303	193,407

# High Income Securities Fund

## General information (unaudited)

At the meeting, the vote to provide a non-binding advisory vote on whether the previously-approved proposal to change the nature of the Fund's business from being an investment company under the Investment Company Act of 1940, as amended (the "1940 Act") and to de-register the Fund as an investment company with the U.S. Securities and Exchange Commission (the "SEC") to permit the Fund to operate as a holding company continues to be in the best interests of the Fund was approved, as follows:

Votes For	Votes Against	% of Quorum	Votes Withheld
1,013,650	256,097	21.29%	3,491,963

At the meeting, the vote to provide a non-binding advisory vote on whether the previously-approved proposal to reorganize the Fund from a Massachusetts business trust into a Delaware corporation continues to be in the best interests of the Fund was approved, as follows:

Votes For	Votes Against	% of Quorum	Votes Withheld
1,072,838	223,502	22.53%	3,465,370

### Special meeting of shareholders held on January 22, 2019

The Fund held a special meeting of shareholders on January 22, 2019 to vote on the following matters:

The presence, in person or by proxy, of shareholders owning at least thirty percent of the shares entitled to be cast at the Meeting (i.e., the presence of a 30% of the shares outstanding on the record date of November 2, 2018) was necessary to constitute a quorum for the transaction of business. At the Meeting, the holders of approximately 60.966% of the outstanding shares as of the record date were represented in person or by proxy (7,883,238 votes), thus constituting a quorum for the matters to be voted upon by all shareholders at the Meeting.

At the meeting, a proposal to change the nature of the Fund's business from being an investment company under the Investment Company Act of 1940, as amended and to deregister the Fund as an investment company with the Securities and Exchange Commission to permit the Fund to operate as a holding company was approved, as follows:

Votes For	Votes against	% of Quorum	Votes withheld
7,386,876	374,496	93.70%	121,866

At the meeting, a proposal to approve the reorganization of the Fund from a Massachusetts business trust into a newly established Delaware corporation was approved, as follows:

Votes For	Votes against	% of Quorum	Votes withheld
7,041,173	337,642	89.32%	504,423

# High Income Securities Fund

## General information (unaudited)

### **Quarterly Form N-Q portfolio schedule**

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's Web site at <http://www.sec.gov> and upon request by calling 1-888-898-4107.

### **Proxy voting policies, procedures and record**

You may obtain a description of the Fund's (1) proxy voting policies, (2) proxy voting procedures and (3) information regarding how the Fund voted any proxies related to portfolio securities during the most recent 12-month period ended June 30 for which an SEC filing has been made, without charge, upon request by contacting the Fund's Shareholder Services at 1-888-898-4107, or on the EDGAR Database on the SEC's Web site (<http://www.sec.gov>).

# High Income Securities Fund

## Supplemental information (unaudited)

The following table sets forth the trustees and officers of the Fund, their name, address, age, position with the Fund, term of office and length of service with the Fund, principal occupation or employment during the past five years and other directorships held at August 31, 2019.

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 Trustee**	Other Directorships held by Trustee
<b>INTERESTED TRUSTEES</b>					
Andrew Dakos*** (53)	President as of July 2018.	1 year; Since 2018	Member of Bulldog Investors, LLC since 2009; Principal of the general partner of several private investment partnerships in the Bulldog Investors group of private funds.	1	Director, Brookfield DTLA Fund Office Trust Investor, Inc.; Director, Emergent Capital, Inc. (until 2017); Trustee, Crossroads Liquidating Trust; Director, Special Opportunities Fund, Inc.; Chairman, Swiss Helvetia Fund, Inc.; Director, The Mexico Equity and Income Fund Inc. (until 2015).
Phillip Goldstein*** (74)	Secretary as of July 2018.	1 year; Since 2018	Member of Bulldog Investors, LLC since 2009; Principal of the general partner of several private investment partnerships in the Bulldog Investors group of private funds.	1	Chairman, The Mexico Equity and Income Fund, Inc.; Chairman, Special Opportunities Fund, Inc.; Director, Brookfield DTLA Fund Office Trust Investor Inc.; Director, MVC Capital, Inc.; Trustee, Crossroads Liquidating Trust; Director, Swiss Helvetia Fund, Inc.; Chairman, Emergent Capital, Inc. (until 2017).

# High Income Securities Fund

## Supplemental information (unaudited)

<b>Name, Address and Age*</b>	<b>Position(s) Held with the Fund</b>	<b>Term of Office and Length of Time Served</b>	<b>Principal Occupation During the Past Five Years</b>	<b>Number of Portfolios in Fund Complex Overseen by Trustee**</b>	<b>Other Directorships held by Trustee</b>
Rajeev Das*** (50)	—	1 year; Since 2018	Principal of Bulldog Investors, LLC	1	Director, The Mexico Equity & Income Fund, Inc.
<b>INDEPENDENT TRUSTEES</b>					
Gerald Hellerman (82)	—	1 year; Since 2018	Chief Compliance Officer of The Mexico Equity and Income Fund, Inc. and Special Opportunities Fund, Inc.	1	Director, The Mexico Equity and Income Fund, Inc.; Director, Special Opportunities Fund, Inc.; Director, MVC Capital, Inc.; Trustee, Crossroad Liquidating Trust; Trustee, Fiera Capital Series Trust; Director, Swiss Helvetia Fund, Inc.; Director, Emergent Capital, Inc. (until 2017); Director, Ironsides Partners Opportunity Offshore Fund Ltd. (until 2016).
Moritz Sell (52)	—	1 year; Since 2018	Founder and Principal of Edison Holdings GmbH and Senior Advisor to Markston International LLC.	1	Director, Aberdeen Australia Equity Fund; Director, Swiss Helvetia Fund, Inc.; Director, Aberdeen Global Income Fund, Inc.; Director, Aberdeen Asia-Pacific Income Fund, Inc.; Chairman, Aberdeen Singapore Fund (until 2018); Director, Aberdeen Greater China Fund (until 2018).

# High Income Securities Fund

## Supplemental information (unaudited)

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 Trustee**	Other Directorships held by Trustee
Richard Dayan (76)	—	1 year; Since 2018	Owner of CactusTrading.	1	Director, Swiss Helvetia Fund, Inc.; Director, Emergent Capital Inc. (until 2017).
Ben Harris (50)	—	1 year; Since 2018	Chief Executive Officer of HHI, LLC; Principal of NBC Bancshares, LLC; Chief Executive Officer of Crossroads Capital, Inc.; Administrator of Crossroads Liquidating Trust.	1	Director, Special Opportunities Fund, Inc.
<b>OFFICERS</b>					
Andrew Dakos*** (53)	President as of July 2018.	1 year; Since 2018	Member of Bulldog Investors, LLC; Principal of the general partner of several private investment partnerships in the Bulldog Investors group of funds.	n/a	n/a
Thomas Antonucci*** (50)	Treasurer as of July 2018.	1 year; Since 2018	Director of Operations of Bulldog Investors, LLC.	n/a	n/a
Phillip Goldstein*** (74)	Secretary as of July 2018.	1 year; Since 2018	Member of Bulldog Investors, LLC; Principal of the general partner of several private investment partnerships in the Bulldog Investors group of funds.	n/a	n/a
Stephanie Darling*** (49)	Chief Compliance Officer as of July 2018.	1 year; Since 2018	General Counsel and Chief Compliance Officer of Bulldog Investors, LLC; Principal, the Law Office of Stephanie Darling; Editor-In-Chief, the Investment Lawyer.	n/a	n/a

\* The address for all trustees and officers is c/o High Income Securities Fund, 615 East Michigan Street, Milwaukee, WI 53202.

\*\* The Fund Complex is comprised of only the Fund.

\*\*\* Messrs. Dakos, Goldstein, Das, and Antonucci and Ms. Darling are each considered an "interested person" of the Fund within the meaning of the 1940 Act because of their affiliation with Bulldog Investors, LLC and their positions as officers of the Fund.



# High Income Securities Fund

## Privacy policy notice

The following is a description of the Fund's policies regarding disclosure of nonpublic personal information that you provide to the Fund or that the Fund collects from other sources. In the event that you hold shares of the Fund through a broker-dealer or other financial intermediary, the privacy policy of the financial intermediary would govern how your nonpublic personal information would be shared with unaffiliated third parties.

**CATEGORIES OF INFORMATION THE FUND COLLECTS.** The Fund collects the following nonpublic personal information about you:

1. Information from the Consumer: this category includes information the Fund receives from you on or in applications or other forms, correspondence, or conversations (such as your name, address, phone number, social security number, assets, income and date of birth); and
2. Information about the Consumer's transactions: this category includes information about your transactions with the Fund, its affiliates, or others (such as your account number and balance, payment history, parties to transactions, cost basis information, and other financial information).

**CATEGORIES OF INFORMATION THE FUND DISCLOSES.** The Fund does not disclose any nonpublic personal information about their current or former shareholders to unaffiliated third parties, except as required or permitted by law. The Fund is permitted by law to disclose all of the information it collects, as described above, to its service providers (such as the Custodian, administrator and transfer agent) to process your transactions and otherwise provide services to you.

**CONFIDENTIALITY AND SECURITY.** The Fund restricts access to your nonpublic personal information to those persons who require such information to provide products or services to you. The Fund maintains physical, electronic and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

**This privacy policy notice is not a part of the shareholder report.**

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**Transfer Agent and Registrar,  
Fund Administrator and Fund Accountant**

U.S. Bancorp Fund Services, LLC  
615 East Michigan Street  
Milwaukee, WI 53202

**Custodian**

U.S. Bank, N.A.  
Custody Operations  
1555 North RiverCenter Drive, Suite 302  
Milwaukee, WI 53212

**Fund Counsel**

Blank Rome LLP  
The Chrysler Building  
405 Lexington Avenue  
New York, NY 10174

**Independent Registered Public Accounting Firm**

Tait, Weller & Baker LLP  
Two Liberty Place  
50 South 16th Street, Suite 2900  
Philadelphia, PA 19102

**Board of Trustees**

Andrew Dakos  
Phillip Goldstein  
Ben Harris  
Gerald Hellerman  
Rajeev Das  
Moritz Sell  
Richard Dayan

**High Income Securities Fund**  
**1-888-898-4107**