

PIMCO HIGH INCOME FUND  
Form DEF 14A  
November 04, 2005

NOTICE OF JOINT ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON DECEMBER 15, 2005

c/o Allianz Global Investors Fund Management LLC  
1345 Avenue of the Americas  
New York, New York 10105

To the Shareholders of PIMCO High Income Fund ("PHK"), PIMCO Floating Rate Income Fund ("PFL") and PIMCO Floating Rate Strategy Fund ("PFN") (each a "Fund" and, collectively, the "Funds"):

Notice is hereby given that a Joint Annual Meeting of Shareholders (the "Meeting") of the Funds will be held at the offices of Allianz Global Investors Fund Management LLC, 1345 Avenue of the Americas, 49th Floor, New York, New York 10105, on Thursday, December 15, 2005 at 9:30 a.m., Eastern Time, for the following purposes, all of which are more fully described in the accompanying Proxy Statement dated November 4, 2005:

1. To elect Trustees of the Funds, each to hold office for the term indicated and until their successors shall have been elected and qualified; and
2. To transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

The Board of Trustees of each Fund has fixed the close of business on October 28, 2005 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Meeting or any postponement or adjournment thereof. The enclosed proxy is being solicited on behalf of the Board of Trustees of each Fund.

By order of the Board of Trustees  
of the Fund  
Thomas J. Fuccillo, Secretary

New York, New York  
November 4, 2005

**It is important that your shares be represented at the Meeting in person or by proxy, no matter how many shares you own. If you do not expect to attend the Meeting, please complete, date, sign and return the applicable enclosed proxy or proxies in the accompanying envelope, which requires no postage if mailed in the United States. Please mark and mail your proxy or proxies promptly in order to save the Funds any additional costs of further proxy solicitations and in order for the Meeting to be held as scheduled.**

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PIMCO HIGH INCOME FUND ("PHK")  
PIMCO FLOATING RATE INCOME FUND ("PFL")  
PIMCO FLOATING RATE STRATEGY FUND ("PFN")

c/o Allianz Global Investors Fund Management LLC  
1345 Avenue of the Americas  
New York, New York 10105

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PROXY STATEMENT

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FOR THE JOINT ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON DECEMBER 15, 2005

INTRODUCTION

This Proxy Statement is furnished in connection with the solicitation by the Board of Trustees (the "Board") of PIMCO High Income Fund ("PHK"), PIMCO Floating Rate Income Fund ("PFL") and PIMCO Floating Rate Strategy Fund ("PFN") (each a "Fund" and, collectively, the "Funds") of proxies to be voted at the Joint Annual Meeting of Shareholders of the Funds and any adjournment or postponement thereof (the "Meeting"). The Meeting will be held at the offices of Allianz Global Investors Fund Management LLC, 1345 Avenue of the Americas, 49<sup>th</sup> Floor, New York, New York 10105, on Thursday, December 15, 2005 at 9:30 a.m., Eastern Time.

The Notice of Joint Annual Meeting of Shareholders (the "Notice"), this Proxy Statement and the enclosed Proxy Card are first being sent to Shareholders on or about November 4, 2005.

The Meeting is scheduled as a joint meeting of the holders of common shares (the "Common Shareholders") and preferred shares (the "Preferred Shareholders" and, together with Common Shareholders, the "Shareholders") of each Fund because the Shareholders of each Fund are expected to consider and vote on similar matters. Shareholders of each Fund will vote on the proposal set forth herein (the "Proposal") and on any other matters that may arise for that Fund, and an unfavorable vote on the Proposal by the Shareholders of one Fund will not affect the implementation of the Proposal by another Fund if the Proposal is approved by the Shareholders of the other Fund.

The Board of each Fund has fixed the close of business on October 28, 2005 as the record date (the "Record Date") for the determination of Shareholders of the Fund entitled to notice of, and to vote at, the Meeting, and any postponement or adjournment thereof. Shareholders of each Fund on the Record Date will be entitled to one vote on each matter to which they are entitled to vote and that is to be voted on by Shareholders of the Fund for each share held, and a fractional vote with respect to fractional shares, with no cumulative voting rights. The following table sets forth the number of shares of common stock ("Common Shares") and shares of preferred stock ("Preferred Shares" and, together with the Common Shares, the "Shares") issued and outstanding of each Fund at the close of business on the Record Date:

	Outstanding Common Shares	Outstanding Preferred Shares
PHK	114,263,164	36,000
PFL	18,024,012	8,400
PFN	41,582,884	19,200

The classes of stock listed for each Fund in the table above are the only classes of stock currently authorized by the Fund.

At the Meeting, Preferred Shareholders of each Fund will have equal voting rights (i.e., one vote per Share) with the Fund's Common Shareholders and, except as discussed below, will vote together with Common Shareholders as a single class on all proposals to be brought before the Meeting. As summarized in the table below, for each Fund (i) the Common and Preferred Shareholders of PHK, voting together as a single class, have the right to vote on the election of R. Peter Sullivan III and David C. Flattum as Trustees of PHK (ii) the Preferred Shareholders of PHK, voting as a separate class, have the right to vote on the election on John J. Dalessandro II as a Trustee of PHK (iii) the Common and Preferred Shareholders of PFL, voting together as a single class, have the right to vote on the election of Paul Belica as Trustee of PFL (iv) the Preferred Shareholders of PFL, voting as a separate class, have the right to vote on the election on John J. Dalessandro II as a Trustee of PFL (v) the Common and Preferred Shareholders of PFN Fund, voting together as a single class, have the right to vote on the election of Paul Belica, R. Peter Sullivan III and David C. Flattum as Trustees of PFN (vi) the Preferred Shareholders of PFN, voting as a separate class, have the right to vote on the election on Robert E. Connor as a Trustee of PFN.

### Summary

Proposal	Common Shareholders	Preferred Shareholders
<b>Election of Trustees</b>		
<b>PHK</b>		
<b>Independent Trustees*</b>		
Election of John J. Dalessandro II	N/A	X
Election of R. Peter Sullivan III	X	X
<b>Interested Trustee†</b>		
Election of David C. Flattum	X	X
<b>PFL</b>		
<b>Independent Trustees*</b>		
Election of Paul Belica	X	X
Election of John J. Dalessandro II	N/A	X
<b>PFN</b>		
<b>Independent Trustees or Nominees*</b>		
Election of Paul Belica	X	X
Election of Robert E. Connor	N/A	X
Election of R. Peter Sullivan III	X	X
<b>Interested Trustee†</b>		
Election of David C. Flattum	X	X

\*"Independent Trustees" or "Independent Nominees" are those Trustees or nominees who are not "interested persons," as defined in the Investment Company Act of 1940, as amended (the "1940 Act"), of the Fund.

†Mr. Flattum is an "interested person" of the Fund due to his affiliation with Allianz Global Investors of America L.P. and the Manager. In addition to Mr. Flattum's positions with affiliated persons of the Funds set forth in the table above, he holds the following positions with affiliated persons: Director, PIMCO Global Advisors (Resources) Limited; Managing Director, Allianz Dresdner Asset Management U.S. Equities LLC, Allianz Hedge Fund Partners Holdings L.P., Allianz Pac-Life Partners LLC, PA

Holdings LLC; Director and Chief Executive Officer, Oppenheimer Group, Inc.

2

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You may vote by mailing the enclosed proxy card. Shares represented by duly executed and timely delivered proxies will be voted as instructed on the proxy. If you mail the enclosed proxy and no choice is indicated for the Proposal listed in the attached Notice, your proxy will be voted in favor of the election of all nominees. At any time before it has been voted, your proxy may be revoked in one of the following ways: (i) by delivering a signed, written letter of revocation to the Secretary of the appropriate Fund at 1345 Avenue of the Americas, New York, NY 10105, (ii) by properly executing and delivering a later-dated proxy, or (iii) by attending the Meeting, requesting return of any previously delivered proxy and voting in person. If any proposal, other than the Proposal set forth herein, properly comes before the Meeting, Shares represented by the proxies will be voted on all such proposals in the discretion of the person, or persons, voting the proxies.

The principal executive offices of the Funds are located at 1345 Avenue of the Americas, New York, New York 10105. Allianz Global Investors Fund Management LLC ("AGIFM" or the "Manager") serves as the investment manager of each Fund and retains its affiliate, Pacific Investment Management Company LLC ("PIMCO" or the "Sub-Advisor"), to serve as each Fund's sub-adviser. Additional information regarding the Manager and PIMCO may be found under "Additional Information — Investment Manager and Portfolio Manager" below.

The solicitation will be by mail primarily and the cost of soliciting proxies for a Fund will be borne by that Fund. Certain officers of the Funds and certain officers and employees of the Manager or its affiliates (none of whom will receive additional compensation therefor) may solicit proxies by telephone, mail, e-mail and personal interviews. Any out-of-pocket expenses incurred in connection with the solicitation will be borne by each of the Funds based on each Fund's relative net assets.

As of October 28, 2005, the Trustees and nominees and the officers of each Fund as a group and individually beneficially owned less than one percent (1%) of each Fund's outstanding Common Shares and Preferred Shares and, to the knowledge of the Funds, no person beneficially owned more than five percent (5%) of the outstanding Shares of any class of either Fund.

#### PROPOSAL: ELECTION OF TRUSTEES

In accordance with each Fund's Amended and Restated Agreement and Declaration of Trust (each a "Declaration"), the Trustees have been divided into the following three classes (each a "Class"): Class I, Class II and Class III.

With respect to PHK, the term of office of the Class II Trustees will expire at the Meeting; the term of office of the Class III Trustees will expire at the 2006 annual meeting of shareholders; and the term of office of the Class I Trustees will expire at the 2007 annual meeting. Currently, John J. Dalessandro II and R. Peter Sullivan III are the Class II Trustees on the PHK Board. In September 2004, David C. Flattum was appointed to fill a Class III vacancy then existing on the Board of the Fund. In accordance with each Fund's Declarations, Mr. Flattum shall serve as a Trustee until the Meeting, at which time his term will expire unless re-elected at the Meeting. Because their terms will expire at the Meeting, the Nominating Committee has recommended to the PHK Board that Messrs. Dalessandro and Sullivan be nominated for re-election as Class II Trustees and David C. Flattum be nominated for election as Class III Trustee at the Meeting. Consistent with the Declarations, if elected, the nominees shall hold office for terms coinciding with the Class of Trustees to which they have been designated. Therefore, if elected at the Meeting, Messrs. Dalessandro and Sullivan will serve a term consistent with the Class II Trustees, which will expire at the Fund's 2008 annual meeting, and Mr. Flattum will serve a term consistent with the Class III Trustees, which will

expire at the Fund's 2006 annual meeting.

3

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With respect to PFL, the term of office of the Class II Trustees will expire at the Meeting; the term of office of the Class III Trustees will expire at the 2006 annual meeting of shareholders; and the term of office of the Class I Trustees will expire at the 2007 annual meeting. Currently, Paul Belica and John J. Dalessandro II are the Class II Trustees on the PFL Board. Because their terms will expire at the Meeting, the Nominating Committee has recommended to the PFL Board that Messrs. Belica and Dalessandro be nominated for re-election as Class II Trustees at the Meeting. Consistent with the Declarations, if elected, the nominees shall hold office for terms coinciding with the Class of Trustees to which they have been designated. Therefore, if elected at the Meeting, Messrs. Belica and Dalessandro will serve a term consistent with the Class II Trustees, which will expire at the Fund's 2008 annual meeting.

With respect to PFN, the term of office of the Class I Trustees will expire at the Meeting; the term of office of the Class II Trustees will expire at the 2006 annual meeting of shareholders; and the term of office of the Class III Trustees will expire at the 2007 annual meeting. Currently, Mr. Robert E. Connor is the Class I Trustee on the PFN Board. In February 2005, David C. Flattum was appointed to fill a Class III vacancy then existing on the Board of the Fund and in September 2005, Paul Belica and R. Peter Sullivan III, were nominated to be elected at this meeting to fill Class I and Class II vacancies respectively, then existing on the Board of PFN. The Nominating Committee has recommended to the PFN Board that Mr. Connor be nominated for re-election as Class I Trustee, that Messrs. Belica and Sullivan be nominated for election as Class I and Class II Trustees, respectively and David C. Flattum be nominated for election as Class III Trustee at the Meeting. Consistent with the Declaration, Messrs. Connor and Flattum shall serve as Trustees until the Meeting, at which time their terms will expire unless re-elected at the Meeting and if elected, shall hold office for terms that coincide with the Class of Trustees to which they have been designated. Therefore, if elected at the Meeting, Messrs. Connor and Belica will serve a term consistent with the Class I Trustees, which will expire at the Fund's 2008 annual meeting, Mr. Sullivan will serve a term consistent with the Class II Trustee, which will expire at the Fund's 2006 annual meeting and Mr. Flattum will serve a term consistent with the Class III Trustees, which will expire at the Funds' 2007 annual meeting.

All members of the Board are or will be, if elected, "Continuing Trustees," as such term is defined in the Declarations, having either served as Trustee since the inception of the Funds or having been nominated by at least a majority of the Continuing Trustees then members of the Board.

At any annual meeting of shareholders, any Trustee elected to fill a vacancy that has arisen since the preceding annual meeting of shareholders where such vacancy arose other than by an increase in the number of Trustees (whether or not such vacancy has been filled by election of a new Trustee by the Board of Trustees) shall hold office for a term that coincides with the remaining term of the Class of Trustees to which such office was previously assigned, and until his successor shall be elected and shall qualify.

4

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The following table summarizes the nominees who will stand for election at the Meeting, the respective Class of

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Trustees to which they have been designated and the expiration of their respective terms if elected:

Trustee/Nominee	Class	Expiration of Term if Elected*
<b>PHK</b>		
John J. Dalessandro II	Class II	2008 Annual Meeting
R. Peter Sullivan III	Class II	2008 Annual Meeting
David C. Flattum	Class III	2006 Annual Meeting
<b>PFL</b>		
Paul Belica	Class II	2008 Annual Meeting
John J. Dalessandro II	Class II	2008 Annual Meeting
<b>PFN</b>		
Paul Belica	Class I	2008 Annual Meeting
Robert Connor	Class I	2008 Annual Meeting
R. Peter Sullivan III	Class II	2006 Annual Meeting
David C. Flattum	Class III	2007 Annual Meeting

\*A Trustee elected at an annual meeting shall hold office until the annual meeting for the year in which his term expires and until his successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

Under this classified Board structure, only those Trustees in a single Class may be replaced in any one year, and it would require a minimum of two years to change a majority of the Board under normal circumstances. This structure, which may be regarded as an "anti-takeover" provision, may make it more difficult for a Fund's Shareholders to change the majority of Trustees of the Fund and, thus, promotes the continuity of management.

Unless authority is withheld, it is the intention of the persons named in the enclosed proxy for a Fund to vote each proxy for the persons listed above for that Fund. Each of the nominees has indicated he will serve if elected, but if he should be unable to serve for a Fund, the proxy holders may vote in favor of such substitute nominee as the Board may designate (or the Board may determine to leave a vacancy).

5

Information Regarding Trustees and Nominees.

The following table provides information concerning the Trustees/Nominees of the Fund.

Name, Address*, and Age	Position(s) Held with the Funds	Term of Office and Length of Time Served	Principal Occupation(s) During the Past 5 Years	Number of Portfolios in Fund Complex Overseen by	Other Directorships Held by Trustee/ Nominee
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				Trustee/ Nominee	
<b>Independent Trustees/Nominees</b>					
Paul Belica Age 84	Trustee	PHK – April – June 2003; December 2003 – Present	Trustee Director, Student Loan Finance Corp., Education Loans, Inc., Goal Funding, Inc., Goal Funding II, Inc. and Surety Loan Fund, Inc.;	21	None.
PHK – Class III					
PFL – Class II					
PFN – Class I		PFL – Since inception (August 2003)	Formerly, senior executive and member of the Board of Smith Barney, Harris Upham & Co., and the CEO of five State of New York agencies.		
		PFN – N/A			
Robert E. Connor Age 71	Trustee	PHK – Since inception (April 2003)	Corporate Affairs Consultant. Formerly, Senior Vice President, Corporate Office, Smith Barney Inc.	24	None.
PHK – Class I					
PFL – Class I		PFL – Since inception (August 2003)			
PFN – Class I		PFN – Since October 2004			
John J. Dalessandro II Age 68	Trustee	PHK – Since inception (April 2003)	Formerly, President and Director, J.J. Dalessandro II Ltd., registered broker-dealer and member of the New York Stock Exchange.	23	None.
PHK – Class II					
PFL – Class II		PFL – Since inception (August 2003)			
PFN – Class II		PFN – Since October 2004			
Hans W. Kertess Age 66	Trustee	PHK – Since June 2003	President, H. Kertess & Co.; Formerly, Managing Director, Royal Bank of Canada Capital Markets.	23	None.
PHK – Class I					
PFL – Class I		PFL – Since inception (August 2003)			
PFN – Class III		PFN – Since October 2004			
R. Peter Sullivan III Age 64	Trustee	PHK – Since September 2004	Formerly, Managing Partner, Bear Wagner Specialists LLC, specialist firm on the New York Stock	19	None.
PHK – Class II					
PFL – Class III		PFL – Since September			
PHK – Class II					

2004 Exchange.  
PFN – N/A