

Annual Report
September 30, 2016

DoubleLine Income Solutions Fund
NYSE: **DSL**

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Dear Shareholder,

On behalf of the team at DoubleLine, I am pleased to deliver the Annual Report for the DoubleLine Income Solutions Fund (NYSE: DSL, the "Fund") for the 12-month period ended September 30, 2016. On the following pages, you will find specific information regarding the Fund's operations and holdings. In addition, we discuss the Fund's investment performance and the main drivers of that performance during the reporting period.

If you have any questions regarding the Fund, please don't hesitate to call us at 877-DLine11 (877-354-6311), or visit our website www.doublelinefunds.com to hear our investment management team offer deeper insights and analysis on relevant capital market activity impacting investors today. We value the trust that you have placed with us, and we will continue to strive to offer thoughtful investment solutions to our shareholders.

Sincerely,

A handwritten signature in black ink that reads "Ronald R. Redell".

Ronald R. Redell, CFA
Chairman of the Board of Trustees
DoubleLine Income Solutions Fund
November 1, 2016

- **Emerging Markets (EM) Debt**

For the 12-month period ended September 30, 2016, U.S. dollar (USD)-denominated EM fixed income sovereign and corporate bonds indices, represented by the JP Morgan Emerging Markets Bond Index (EMBI) Global Diversified and the JP Morgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified, respectively, posted double digit returns. The EM return profile was a story of two distinct periods. Both EM sovereign and corporate spreads widened significantly over 2015 to mid-February 2016, on the back of slowing global growth, China policy uncertainty and falling commodity prices. Mid-February through September 30, 2016 saw a return of risk appetite, as the European Central Bank (ECB) and, Bank of Japan (BoJ) remained highly accommodative, and the Federal Reserve (Fed) lowered its forecast of the hiking cycle to just one rate increase for 2016 and 2 increases in 2017. Risk assets, including EM fixed income benefited from increased monetary policy liquidity and improving commodity prices, and EM credit spreads tightened aggressively, converging to its 5-year average by the end of the third quarter.

- **Agency Mortgage-Backed Securities (Agency MBS)**

For the 12-month period ended September 30, 2016, the Barclays U.S. MBS Index returned 3.61% with its duration shortening from 4.20 to 2.50 during that period. The U.S. Treasury curve flattened with 2-year yields increasing by 0.13% and 10-year yields declining by 0.44%. Current coupon spreads against 5-year and 10-year Treasuries tightened to the low end of its historic range, supported by large demand by domestic banks, overseas investors, and the Fed's reinvestment needs. Aggregate prepayment speeds across Ginnie Mae, Fannie Mae, and Freddie Mac increased over the period by approximately 49% due to improving seasonality factors including higher housing turnover, purchasing and refinancing activity. During the period, 30-year mortgage rates also declined materially to 3.42%. Although prepayment speeds have increased significantly on a percentage basis nominally during the period, prepayment speeds are similar to those seen back in late 2012/early 2013 when yield levels were similar to what they were as of September 30, 2016.

- **Non-Agency Mortgage-Backed Securities (Non-Agency MBS)**

For the 12-month period ended September 30, 2016, Non-Agency MBS spreads have continued to tighten along with credit products and were at their widest in February. Due to strong fundamentals, Non-Agency MBS spreads did not widen as much as other credit spreads during the period. The spread tightening has been caused by improving fundamentals in the housing market and the limited supply of Non-Agency MBS. Within the Non-Agency MBS space, delinquencies and loan loss severities continued to improve during the period; however, the improvement in loan loss severities has been somewhat limited due to the extended foreclosure timelines in judicial states. In June, an \$8.5 billion Countrywide settlement was paid out to bondholders. Over the period, approximately \$83 billion in Non-Agency MBS have traded. Additional settlement payout from Citi and JP Morgan are expected in 2017. The uncertainty of settlement payouts has dampened trading volumes, but as the settlement gets paid out they should increase. Certain settlement bond holders have had to hold onto settlement bonds longer than they originally planned in order to ensure they get the value of the settlement payment.

- **Commercial Mortgage-Backed Securities (CMBS)**

For the 12-month period ended September 30, 2016, the Barclays U.S. CMBS Index returned 5.31%, outperforming the broader Barclays U.S. Aggregate Bond Index return of 5.19%. For the period, 10-year AAA last cash flows (LCFs) tightened by 0.10% to 1.15% over swaps, while BBB- bonds tightened by 0.95% to 6.15% over swaps. On the new issue front, private label CMBS issuance was down 32%, with \$65.3 billion in new issuance during the 12-month reporting period compared to \$95.7 billion from October 2014 through September 2015. The delinquency rate for U.S. Commercial Real Estate (CRE) loans is now 4.78%, 0.50% lower year-over-year (YoY). An uptick in delinquencies is anticipated as a wave of deals issued pre-crisis (2006/2007), primarily collateralized by 10-year loans, continues to mature. For loans issued after the credit crisis (referred to as CMBS 2.0 and CMBS 3.0, respectively), only 0.60% are delinquent or in special servicing.

- **U.S. High Yield (HY)**

For the 12-month period ended September 30, 2016, the Citi High-Yield Cash-Pay Capped Index returned 12.43%. Longer-maturity bonds slightly outperformed shorter ones for both periods, with those maturing in 7 years or more returning 14.84% for the period, while the 1-7 year category returned 11.36%. Bonds with lower credit ratings far outpaced those with higher ratings, with CCC-rated issues returning 19.48%, while BB- and B-rated rated issues returned 11.38%. For the period, outperformers by industry were Metals & Mining (+28.25%), Diversified Telecommunications (+23.38%), and Chemicals (+22.30%). The worst-performing industries over the 12-month period were Pharmaceuticals (+1.00%), Environmental Services (+4.17%), and Textile & Apparel (+4.49%).

- **Bank Loans**

For the 12-month period ended September 30, 2016, the S&P/LSTA Leverage Loan Index returned 5.46%. The weighted average bid price increased by \$0.91 to \$95.12 as the discounted spread to maturity declined 0.66%. Lower rated loans significantly outperformed higher rated loans and the broader market, with CCC-rated loans returning 10.87%, B-rated loans returning 5.72%, and BB-rated loans returning 4.90% during the period. While Nonferrous Metals was the best performing sector over the period returning 10.35%, it was also one of the most volatile, as it was down 19.59% during the first 6-months of the period. Lodging and Casinos was the next best performing sector returning 8.53% followed by Conglomerates, which returned 8.12%. The worst performing sectors were Forest Products and Utilities, which returned -18.31% and -1.06%, respectively. The average issuer-weighted default rate rose to 2.23% from 0.77% over the period. The total par-value outstanding rose 4.44% to \$881.74 billion from \$844.29 billion over the period. Collateralized Loan Obligation (CLO) issuance totaled \$65.88 billion during the period, and \$19.59 billion of prime fund out-flows have occurred in the leveraged loan market.

- **Collateralized Loan Obligations**

For the 12-month period ended September 30, 2016, CLO issuance has been volatile with the first quarter of 2016 having the lowest issuance. In total, the CLO market brought \$65.68 billion across 143 deals during the period. The first quarter of 2016 only accounted for \$8.23 billion of issuance, which rebounded during the following 6-months ahead of Risk Retention implementation. Once Risk Retention goes into effect, new deals will have to retain 5% of the risk. In addition, any deal issued prior to December 24, 2016 will have to comply and retain 5% of the risk. CLO prices hit their lows in the first quarter as well, but rebounded strongly to the highest prices over the period.

For the 12-month period ended September 30, 2016, the DoubleLine Income Solutions Fund outperformed the Barclays Global Aggregate Bond Index's return of 8.84% on both a net asset value and market price basis. Despite much volatility, credit assets rebounded from intra-period lows and contributed strong returns. The best performing sectors were EM fixed income and HY debt. Other credit sensitive sectors, such as Bank Loans, also added healthy gains to the portfolio. Structured Products also performed well with Non-Agency MBS continuing to tighten in as new issuance supply remained low amidst strong investor demand. Conversely, Municipals struggled over the period as well as CMBS.

12-Month Period Ended 9-30-16	1-Year
Net Asset Value (NAV) Return	14.66%
Market Price Return	23.32%
Barclays Global Aggregate Bond Index	8.84%

For additional performance information, please refer to the **"Fund Standardized Performance Summary."**

Opinions expressed herein are as of September 30, 2016 and are subject to change at any time, are not guaranteed and should not be considered investment advice. This report is for the information of shareholders of the Fund.

The views expressed herein (including any forward-looking statement) may not be relied upon as investment advice or as an indication of the Fund's trading intent. Information included herein is not an indication of the Fund's future portfolio composition. Securities and indices discussed are not recommendations and are presented as examples of issue selection or portfolio management processes. They have been picked for comparison or illustration purposes only. No security presented within is either offered for sale or purchase. DoubleLine reserves the right to change its investment perspective and outlook without notice as market conditions dictate or as additional information becomes available.

DoubleLine® is a registered trademark of DoubleLine Capital LP.

Shares of closed-end investment companies frequently trade at a discount to their net asset value, which may increase investors' risk of loss. There are risks associated with an investment in the Fund. Investors should consider the Fund's investment objective, risks, charges and expenses carefully before investing. An investment in the Fund should not constitute a complete investment program.

The Fund's daily New York Stock Exchange closing prices, net asset values per share, as well as other information are available at http://www.doublelinefunds.com/closed_end_funds/income_solutions/overview.html or by calling the Fund's shareholder servicing agent at (877) 354-6311.

This document is not an offer to sell securities or the solicitation of an offer to buy securities, nor shall there be any sale or offer of these securities, in any jurisdiction where such sale or offer is not permitted.

The Fund's shares are only offered through broker/dealers on the secondary market. Unlike an open-end mutual fund, a closed-end fund offers a fixed number of shares for sale. After the initial public offering, shares are bought and sold in the secondary marketplace, and the market price of the shares is determined by supply and demand, not by net asset value (NAV), often at a lower price than the NAV. A closed-end fund is not required to buy its shares back from investors upon request.

Credit ratings from Moody's range from the highest rating of Aaa for bonds of the highest quality that offer the lowest degree of investment risk to the lowest rating of C for the lowest rated class of bonds. Credit ratings from Standard & Poor's (S&P) range from the highest rating of AAA for bonds of the highest quality that offer the lowest degree of investment risk to the lowest rating of D for bonds that are in default. Credit ratings are determined from the highest available credit rating from any Nationally Recognized Statistical Rating Organization ("NRSRO"). DoubleLine chooses to display credit ratings using S&P's rating convention, although the rating itself might be sourced from another NRSRO.

Fund investing involves risk. Principal loss is possible.

Investments in debt securities typically decline in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in asset-backed and mortgage-backed securities include additional risks that investors should be aware of including credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The Fund may invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging markets. Investments in lower rated and non-rated securities present a greater risk of loss to principal and interest than higher rated securities. Investment strategies may not achieve the desired results due to implementation lag, other timing factors, portfolio management decision-making, economic or market conditions or other unanticipated factors.

In addition, the Fund may invest in other asset classes and investments such as, among others, REITs, credit default swaps, short sales, derivatives and smaller companies which include additional risks.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. You can obtain the Fund's most recent periodic reports and certain other regulatory filings by calling 1 (877) 354-6311/ 1 (877) DLINE11, or visiting www.doublelinefunds.com. You should read these reports and other filings carefully before investing.

The performance shown assumes the reinvestment of all dividends and distributions and does not reflect any reductions for taxes. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund shares. **Performance data quoted represents past performance; past performance does not guarantee future results.** The investment return and principal value of an investment will fluctuate so that an investor's shares, when sold, may be worth more or less than original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month-end may be obtained by calling (877) 354-6311 or by visiting http://www.doublelinefunds.com/closed_end_funds/income_solutions/overview.html.

This material may include statements that constitute "forward-looking statements" under the U.S. securities laws. Forward-looking statements include, among other things, projections, estimates, and information about possible or future results related to the Fund, market or regulatory developments. The views expressed herein are not guarantees of future performance or economic results and involve certain risks, uncertainties and assumptions that could cause actual outcomes and results to differ materially from the views expressed herein. The views expressed herein are subject to change at any time based upon economic, market, or other conditions and DoubleLine undertakes no obligation to update the views expressed herein. While we have gathered this information from sources believed to be reliable, DoubleLine cannot guarantee the accuracy of the information provided. Any discussions of specific securities should not be considered a recommendation to buy or sell those securities. For a complete list of Fund holdings, please refer to the Schedule of Investments provided in this report.

Fund holdings and sector allocations are subject to change and are not a recommendation to buy or sell any security. Please refer to the Schedule of Investments for a complete list of Fund holdings.

Barclays Global Aggregate Bond Index—This index is an unmanaged index that measures the global investment grade fixed-rate debt markets and is comprised of the U.S. Aggregate, Pan-European Aggregate, and the Asian-Pacific Aggregate Indices.

Barclays U.S. Aggregate Bond Index—This index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

Barclays U.S. CMBS Index—This index measures the performance of investment grade commercial mortgage-backed securities, which are classes of securities that represent interests in pools of commercial mortgages.

Barclays U.S. MBS Index—This index measures the performance of investment grade fixed-income mortgage-backed pass-through securities of the Government-Sponsored Enterprises (GSEs) issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

Citi High-Yield Cash-Pay Capped Index—This index represents the cash-pay securities of the Citigroup High-Yield Market Capped Index, which represents a modified version of the High Yield Market Index by delaying the entry of fallen angel issues and capping the par value of individual issuers at \$5 billion par amount outstanding.

Duration—A measure of the sensitivity of a price of a fixed income investment to a change in interest rates, expressed as a number of years.

JP Morgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified—This index is a market capitalization weighted index consisting of US-denominated Emerging Market corporate bonds. It is a liquid global corporate benchmark representing Asia, Latin America, Europe and the Middle East/Africa.

JP Morgan Emerging Markets Bond Index (EMBI) Global Diversified—This Index is a uniquely-weighted version of the EMBI Global. It limits the weights of those index countries with larger debt stocks by only including specified portions of these countries' eligible current face amounts of debt outstanding. The countries covered in the EMBI Global Diversified are identical to those covered by EMBI Global.

Last Cash Flow (LCF)—The last revenue stream paid to a bond over a given period.

S&P/LSTA Leveraged Loan Index—Capitalization-weighted syndicated loan indices are based upon market weightings, spreads and interest payments, and this index covers the U.S. market back to 1997 and currently calculates on a daily basis. Created by the Leveraged Commentary & Data (LCD) team at S&P Capital IQ, the review provides an overview and outlook of the leveraged loan market as well as an expansive review of the S&P Leveraged Loan Index and sub-indexes. The review consists of index general characteristics, results, risk-return profile, default/distress statistics, and repayment analysis.

A direct investment cannot be made in an index. The performance of any index mentioned in this commentary has not been adjusted for ongoing management, distribution and operating expenses applicable to mutual fund investments.

Quasar Distributors, LLC provides filing administration for DoubleLine Capital LP.

Standardized Performance Summary

(Unaudited)
September 30, 2016

DSL			
Income Solutions Fund Returns as of September 30, 2016	1-Year	3-Year Annualized	Since Inception Annualized (4-26-13 to 9-30-16)
Total Return based on NAV	14.66%	6.39%	4.27%
Total Return based on Market Price	23.32%	5.10%	1.37%
Barclays Global Aggregate Bond Index	8.84%	2.13%	1.61%

Performance data quoted represents past performance; past performance does not guarantee future results. The performance information shown assumes reinvestment of all dividends and distributions. The investment return and principal value of an investment will fluctuate so that an investor's shares when sold may be worth more or less than the original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance reflects management fees and other fund expenses. Performance data current to most recent month-end may be obtained by calling (213) 633-8200 or by visiting www.doublelinefunds.com.

PRINCIPAL AMOUNT \$	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$	PRINCIPAL AMOUNT \$	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$
BANK LOANS 13.2%									
2,850,000	Alfred Fueling Systems, Inc., Guaranteed Secured 2nd Lien Term Loan	8.50%#	06/20/2022	2,874,937	1,610,963	Ferrara Candy Company, Guaranteed Senior Secured 1st Lien Term Loan, Tranche B	5.50%#	06/15/2023	1,624,720
359,879	Alinta Energy Finance Pty Ltd., Senior Secured 1st Lien Delayed-Draw Term Loan, Tranche B	6.38%#	08/13/2018	359,879	1,571,222	Filtration Group, Inc. Senior Secured 2nd Lien Term Loan, Tranche B	8.25%#	11/19/2021	1,575,150
5,414,096	Senior Secured 1st Lien Term Loan, Tranche B	6.38%#	08/13/2019	5,414,096	5,944,444	Four Seasons Holdings, Inc., Guaranteed Secured 2nd Lien Term Loan	6.25%#	12/28/2020	5,985,313
5,333,000	Allflex Holdings, Inc., Guaranteed Secured 2nd Lien Term Loan	8.00%#	07/19/2021	5,359,665	5,742,938	Fram Group Holdings, Inc., Guaranteed Senior Secured 1st Lien Term Loan	7.00%#	07/28/2017	5,545,008
6,000,000	Applied Systems, Inc., Secured 2nd Lien Term Loan, Tranche B	7.50%#	01/24/2022	6,065,640	960,175	FullBeauty Brands Holdings Corporation, Guaranteed Senior Secured 1st Lien Term Loan, Tranche B	5.75%#	10/14/2022	913,770
4,000,000	Aspen Merger Sub, Inc., Senior Secured 2nd Lien Term Loan	9.75%#	09/26/2024	3,980,000	1,126,178	Goldcup Merger Sub, Inc., Senior Secured 1st Lien Term Loan, Tranche B	6.00%#	05/02/2023	1,136,032
8,900,000	Asurion LLC, Secured 2nd Lien Term Loan	8.50%#	03/03/2021	8,874,012	8,054,813	GTCR Valor Companies, Inc., Senior Secured 1st Lien Term Loan, Tranche B	7.00%#	06/16/2023	7,704,952
3,291,750	Avantor Performance Materials Holdings, Inc., Guaranteed Senior Secured 1st Lien, Term Loan, Tranche B	6.00%#	06/21/2022	3,304,094	5,700,000	Healogics Inc., Secured 2nd Lien Term Loan	9.00%#	07/01/2022	4,460,250
5,120,255	BMC Software Finance, Inc., Guaranteed Senior Secured 1st Lien Term Loan, Tranche B	5.00%#	09/10/2020	4,949,853	5,000,000	Jazz Acquisition, Inc., Secured 2nd Lien Term Loan	7.75%#	06/17/2022	4,200,000
4,000,000	California Pizza Kitchen, Inc., Guaranteed Senior Secured 1st Lien Term Loan	7.00%#	08/23/2022	3,988,340	7,920,000	KIK Custom Products, Inc., Senior Secured 1st Lien Term Loan, Tranche B	6.00%#	08/26/2022	7,939,800
1,000,000	CAMP International Holding Company, Guaranteed Secured 2nd Lien Term Loan	8.25%#	08/16/2024	1,004,375	5,000,000	Lonestar Intermediate Super Holdings LLC, Senior Unsecured Term Loan (PIK 10.75%)	10.00%#	08/31/2021	4,978,125
8,000,000	Capital Automotive LP, Guaranteed Secured 2nd Lien Term Loan	6.00%#	04/30/2020	8,080,640	5,925,000	Longview Power LLC, Senior Secured 1st Lien Term Loan, Tranche B	7.00%#	04/13/2021	5,243,625
1,377,273	Ceva Group PLC, Guaranteed Senior Secured 1st Lien Term Loan	0.53%#	03/19/2021	1,109,710	6,850,000	Mauser Holding GmbH, Guaranteed Secured 2nd Lien Term Loan	8.75%#	07/29/2022	6,790,062
244,779	Guaranteed Senior Secured 1st Lien Term Loan	6.50%#	03/19/2021	197,226	2,740,133	Micron Technology, Inc., Guaranteed Senior Secured 1st Lien, Tranche B	6.53%#	04/26/2022	2,775,124
1,958,231	Guaranteed Senior Secured 1st Lien Term Loan	6.50%#	03/19/2021	1,577,806	6,000,000	Mitchell International, Inc., Guaranteed Secured 2nd Lien Term Loan	8.50%#	10/11/2021	5,881,890
1,419,718	Ceva Intercompany BV, Guaranteed Senior Secured 1st Lien Term Loan	6.50%#	03/19/2021	1,143,909	2,615,000	National Vision, Inc., Secured 2nd Lien Term Loan	6.75%#	03/11/2022	2,459,826
4,944,761	Compuware Corporation, Senior Secured 1st Lien Term Loan, Tranche B2	6.25%#	12/15/2021	4,935,489	5,899,027	North American Lifting, Guaranteed Senior Secured 1st Lien Term Loan	5.50%#	11/27/2020	4,807,707
4,275,000	Cortes NP Acquisition Corporation, Senior Secured 1st Lien Term Loan, Tranche B	6.00%#	12/31/2023	4,146,750	4,850,000	NVA Holdings, Inc., Secured 2nd Lien Term Loan	8.00%#	08/12/2022	4,853,031
2,900,000	CSM Bakery Supplies LLC, Secured 2nd Lien Term Loan	8.75%#**	07/02/2021	2,668,000	5,954,315	Ortho-Clinical Diagnostics, Inc., Senior Secured 1st Lien Term Loan, Tranche B	4.75%#	06/30/2021	5,837,729
7,000,000	Cvent, Inc., Senior Secured 1st Lien Term Loan, Tranche B	6.00%#	06/16/2023	7,061,250	3,095,000	P2 Upstream Acquisition Company, Guaranteed Secured 2nd Lien Term Loan	9.00%#**	04/30/2021	2,700,387
4,642,337	DI Purchaser, Inc., Senior Secured 1st Lien Term Loan, Tranche B	6.00%#	12/15/2021	3,969,198	1,945,000	Guaranteed Senior Secured 1st Lien Term Loan	5.00%#	10/30/2020	1,824,653
3,911,909	EnergySolutions LLC, Senior Secured 1st Lien Term Loan, Tranche B	6.75%#	05/29/2020	3,907,019	5,186,029	PGX Holdings, Inc., Senior Secured 1st Lien Term Loan	5.75%#	09/29/2020	5,190,359
					8,000,000	Polycom, Inc., Senior Secured 1st Lien Term Loan	7.50%#	09/27/2023	7,720,000

PRINCIPAL AMOUNT \$	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$	PRINCIPAL AMOUNT \$	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$	
3,910,200	Precyse Acquisition Corporation, Senior Secured 1st Lien Term Loan, Tranche B	6.50%#	10/20/2022	3,944,414	2,425,000	Wand Intermediate LP, Senior Secured 2nd Lien Term Loan	8.50%#∞	09/19/2022	2,334,062	
500,000	Press Ganey Holdings, Inc., Guaranteed Senior Secured 2nd Lien Term Loan	8.25%#	09/30/2024	495,000	1,650,859	WASH Multifamily Laundry Systems LLC, Senior Secured 2nd Lien Term Loan	8.00%#	05/15/2023	1,638,478	
3,011,538	Prime Security Services Borrower LLC, Guaranteed Secured 2nd Lien Term Loan	9.75%#	07/01/2022	3,073,666	289,141	Senior Secured 2nd Lien Term Loan	8.00%#	05/15/2023	286,972	
4,500,000	Rack Merger Sub, Inc., Guaranteed Secured 2nd Lien Term Loan, Tranche B	8.25%#	10/01/2022	4,173,750	Total Bank Loans (Cost \$279,469,576)					273,647,600
5,954,545	RentPath LLC, Senior Secured 1st Lien Term Loan, Tranche B	6.25%#∞	12/17/2021	5,641,932	COLLATERALIZED LOAN OBLIGATIONS 8.7%					
2,900,000	Secured 2nd Lien Term Loan, Tranche B	10.00%#∞	12/16/2022	2,566,500	2,000,000	Adams Mill Ltd., Series 2014-1A-D2	4.93%#^	07/15/2026	1,935,127	
3,260,363	Rhode Island State Energy Partners, Senior Secured 1st Lien Term Loan, Tranche B	5.75%#	12/16/2022	3,170,703	6,000,000	Series 2014-1A-E2	6.93%#^	07/15/2026	5,257,829	
2,651,438	Sabre Industries, Inc., Guaranteed Senior Secured 1st Lien Term Loan	5.75%#	02/25/2022	2,177,493	1,000,000	ALM LLC, Series 2016-19A-C	4.98%#^	07/15/2028	1,003,999	
5,000,000	Safway Group Holdings LLC, Senior Secured 1st Lien Term Loan, Tranche B	5.75%#	08/18/2023	5,040,625	5,000,000	Series 2016-19A-C	7.98%#^	07/15/2028	5,018,831	
7,860,000	Scientific Games International, Inc., Guaranteed Senior Secured 1st Lien Term Loan, Tranche B2	6.00%#	10/01/2021	7,885,113	2,000,000	ALM Ltd., Series 2014-11A-C	4.18%#^	10/17/2026	1,962,500	
7,580,000	Sedgwick, Inc., Guaranteed Secured 2nd Lien Term Loan	6.75%#∞	02/28/2022	7,518,412	2,750,000	Apidos Ltd., Series 2012-11A-D	4.93%#^	01/17/2023	2,757,857	
4,890,425	Select Medical Corporation, Guaranteed Senior Secured 1st Lien Term Loan, Tranche F	6.00%#	03/03/2021	4,935,246	1,750,000	Series 2013-14A-E	5.08%#^	04/15/2025	1,554,392	
5,016,712	Skillsoft Senior Secured 1st Lien Term Loan	5.75%#	04/28/2021	4,457,048	1,000,000	Series 2014-18A-E	6.70%#^	07/22/2026	794,344	
5,850,000	Solenis International LP, Guaranteed Secured 2nd Lien Term Loan	7.75%#	07/29/2022	5,725,687	3,500,000	ARES Ltd., Series 2012-3A-ER	7.55%#^	01/17/2024	3,445,414	
4,527,250	Solera LLC, Guaranteed Senior Secured 1st Lien Term Loan, Tranche B	5.75%#	03/03/2023	4,580,536	500,000	Birchwood Park Ltd., Series 2014-1A-E2	7.08%#^	07/15/2026	456,396	
4,470,000	SourceHOV LLC, Guaranteed Senior Secured 1st Lien Term Loan, Tranche B	7.75%#	10/31/2019	3,768,769	740,000	BlueMountain Ltd., Series 2012-1A-E	6.20%#^	07/20/2023	739,755	
2,950,000	SRS Distribution, Inc., Secured 2 Lien Term Loan	9.75%#	02/24/2023	2,985,031	2,250,000	Series 2012-2A-D	4.91%#^	11/20/2024	2,270,328	
1,970,000	Tekni-Plex, Inc., Senior Secured 2nd Lien Term Loan	8.75%#	06/01/2023	1,949,473	7,000,000	Series 2012-2A-E	5.91%#^	11/20/2024	6,822,784	
3,410,496	Transtar Holding Company, Secured 2nd Lien Term Loan	12.00%#∞Ω	10/09/2019	468,943	1,500,000	Series 2015-2A-F	7.48%#^	07/18/2027	1,198,808	
4,840,000	US Renal Care, Inc., Senior Secured 2nd Lien Term Loan	9.00%#	12/29/2023	4,694,800	3,000,000	Series 2016-2A-D	7.70%#^	08/20/2028	2,993,448	
2,978,302	Vizient, Inc., Senior Secured 1st Lien Term Loan, Tranche B	6.25%#	02/13/2023	3,015,546	4,500,000	Brookside Mill Ltd., Series 2013-1A-D	3.73%#^	04/17/2025	4,116,768	
					6,500,000	Canyon Capital Ltd., Series 2012-1A-D	4.98%#^	01/15/2024	6,517,301	
					3,000,000	Carlyle Global Market Strategies Ltd., Series 2014-3A-C2	4.93%#^	07/27/2026	3,007,900	
					4,500,000	Series 2014-3A-D2	6.98%#^	07/27/2026	4,366,833	
					3,450,000	Cent Ltd., Series 2013-18A-D	4.16%#^	07/23/2025	3,352,269	
					8,500,000	Series 2013-18A-E	5.31%#^	07/23/2025	7,467,372	
					2,000,000	Flatiron Ltd., Series 2012-1X-D	6.21%#	10/25/2024	1,882,381	
					1,985,000	Galaxy Ltd., Series 2012-14A-D	5.22%#^	11/15/2024	1,989,942	
					2,750,000	Series 2012-14X-E	6.22%#	11/15/2024	2,684,215	
					3,000,000	Series 2014-18A-D2	4.98%#^	10/15/2026	2,910,537	
					5,000,000	Series 2014-18A-E2	6.98%#^	10/15/2026	4,494,462	
					10,000,000	GoldenTree Loan Opportunities Ltd., Series 2015-10A-E1	6.70%#^	07/20/2027	9,231,394	
					2,000,000	Halcyon Loan Advisors Funding Ltd., Series 2012-1A-D	6.32%#^	08/15/2023	1,564,959	
					1,000,000	Series 2014-2A-C	4.24%#^	04/28/2025	874,025	
					1,000,000	Series 2014-2A-D	5.74%#^	04/28/2025	752,870	
					1,000,000	Series 2014-2A-E	6.49%#^	04/28/2025	475,230	
					3,500,000	LCM LP, Series 14A-E	5.33%#^	07/15/2025	3,203,994	
					3,500,000	Series 14A-F	5.83%#^	07/15/2025	2,582,224	
					7,000,000	Series 19A-E1	7.13%#^	07/15/2027	6,802,547	
					2,500,000	Madison Park Funding Ltd., Series 2014-13X-E	5.69%#	01/19/2025	2,243,808	
					10,022,500	Series 2015-18A-E2	7.05%#^	10/21/2026	9,708,257	

PRINCIPAL AMOUNT \$	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$	PRINCIPAL AMOUNT \$	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$
9,500,000	Magnetite Ltd., Series 2012-7A-D	5.93% ^{#A}	01/15/2025	9,500,058	25,000,000	CIMPOR Financial Operations B.V.	5.75%	07/17/2024	21,562,500
10,000,000	Series 2012-7A-DR	7.85% ^{#A}	01/15/2025	10,000,000	2,612,000	Colombia Telecomunicaciones S.A.	8.50% ^{#†}	12/29/2049	2,285,500
5,250,000	North End Ltd., Series 2013-1A-D	4.18% ^{#A}	07/17/2025	4,911,864	32,000,000	Colombia Telecomunicaciones S.A.	8.50% ^{#A†}	03/31/2050	28,000,000
2,000,000	Octagon Investment Partners Ltd., Series 2013-1A-D	4.03% ^{#A}	07/17/2025	1,942,453	13,000,000	Comcel Trust	6.88%	02/06/2024	13,431,600
9,500,000	Series 2013-1A-E	5.18% ^{#A}	07/17/2025	8,120,860	26,900,000	Compania Minera Ares S.A.C.	7.75%	01/23/2021	28,917,500
2,000,000	Series 2014-1A-D	7.42% ^{#A}	11/14/2026	1,905,266	29,350,000	CorpGroup Banking S.A.	6.75%	03/15/2023	28,432,813
1,000,000	Venture Ltd., Series 2012-10A-D	4.90% ^{#A}	07/20/2022	1,003,816	20,000,000	Corporacion Azucarera del Peru S.A.	6.38%	08/02/2022	19,700,000
3,000,000	Series 2012-12A-E	6.13% ^{#A}	02/28/2024	2,598,721	31,000,000	Cosan Overseas Ltd.	8.25% [†]	11/29/2049	31,232,500
4,000,000	Series 2013-14A-D	4.58% ^{#A}	08/28/2025	3,908,561	10,950,000	Coveris Holdings S.A.	7.88% ^A	11/01/2019	11,251,125
7,000,000	WhiteHorse Ltd., Series 2012-1A-B1L	5.01% ^{#A}	02/03/2025	7,002,373	7,500,000	Credito Real S.A.B. de C.V.	7.25%	07/20/2023	7,537,500
1,250,000	Series 2012-1A-B2L	6.01% ^{#A}	02/03/2025	1,067,868	17,500,000	Credito Real S.A.B. de C.V.	7.25% ^A	07/20/2023	17,587,500
1,600,000	Series 2012-1A-B3L	7.26% ^{#A}	02/03/2025	965,592	38,600,000	Digicel Ltd.	8.25%	09/30/2020	33,726,750
3,250,000	Series 2013-1A-B1L	4.53% ^{#A}	11/24/2025	3,135,435	5,000,000	Digicel Ltd.	7.13%	04/01/2022	3,873,500
2,500,000	Wind River Ltd., Series 2013-2A-D	4.28% ^{#A}	01/18/2026	2,409,730	5,000,000	Digicel Ltd.	7.13% ^A	04/01/2022	3,873,500
2,500,000	Series 2013-2A-E	5.43% ^{#A}	01/18/2026	2,226,754	3,000,000	Ecopetrol S.A.	7.38%	09/18/2043	3,165,000
2,000,000	Series 2016-1A-D	5.37% ^{#A}	07/15/2028	1,983,445	5,000,000	Eldorado International Finance GMBH	8.63%	06/16/2021	4,125,000
Total Collateralized Loan Obligations (Cost \$189,196,879)				181,123,896	25,000,000	Eldorado International Finance GMBH	8.63% ^A	06/16/2021	20,625,000
FOREIGN CORPORATE BONDS 63.9%					13,000,000	Far East Capital Ltd. S.A.	8.75% ^{AΩ}	05/02/2020	6,045,000
5,328,331	ACI Airport Sudamerica S.A.	6.88%	11/29/2032	5,208,444	5,000,000	Far East Capital Ltd. S.A.	8.75% ^Ω	05/02/2020	2,325,000
21,350,000	Aeropuertos Dominicanos	9.75% ^A	11/13/2019	22,481,550	7,800,000	Financiera Independencia S.A.B. de .C.V.	7.50% ^A	06/03/2019	7,839,000
1,035,000	Aeropuertos Dominicanos	9.75%	11/13/2019	1,089,855	10,200,000	Financiera Independencia S.A.B. de C.V.	7.50%	06/03/2019	10,251,000
25,000,000	AES Andres B.V.	7.95% ^A	05/11/2026	26,718,750	20,000,000	Freeport-McMoRan Copper & Gold, Inc.	5.40%	11/14/2034	16,700,000
8,000,000	AES El Salvador Trust	6.75% ^A	03/28/2023	7,600,000	25,400,000	Freeport-McMoRan Copper & Gold, Inc.	5.45%	03/15/2043	20,701,000
19,000,000	AES El Salvador Trust	6.75%	03/28/2023	18,050,000	10,235,000	GeoPark Latin America Ltd.	7.50%	02/11/2020	9,032,388
14,376,000	AES Gener S.A.	8.38%	12/18/2073	15,274,500	9,765,000	GeoPark Latin America Ltd.	7.50% ^A	02/11/2020	8,617,612
24,850,000	Ajecorp B.V.	6.50%	05/14/2022	13,543,250	25,065,000	GFL Environmental, Inc. Grupo Cementos de Chihuahua S.A.B de C.V.	9.88% ^A	02/01/2021	14,850,000
5,000,000	Alcoa Nederland Holding BV	7.00% ^A	09/30/2026	5,181,250	29,800,000	Grupo Elektra S.A.B. de C.V.	7.25%	08/06/2018	29,874,500
6,352,941	Ardagh Packaging Finance	7.00% ^A	11/15/2020	6,591,177	3,000,000	Grupo Famsa S.A.B. de C.V.	7.25%	06/01/2020	2,565,000
1,000,000	Ardagh Packaging Finance	7.25% ^A	05/15/2024	1,072,500	10,000,000	Grupo Famsa S.A.B. de C.V.	7.25% ^A	06/01/2020	8,550,000
95,503	Autopistas del Nordeste Ltd.	9.39%	04/15/2024	97,652	12,300,000	Grupo Idesa S.A. de C.V.	7.88%	12/18/2020	12,361,500
27,000,000	Avianca Holdings S.A.	8.38% ^A	05/10/2020	25,852,500	14,700,000	Grupo Idesa S.A. de C.V.	7.88% ^A	12/18/2020	14,773,500
13,000,000	Avianca Holdings S.A.	8.38%	05/10/2020	12,447,500	21,397,000	Grupo Papelero Scribe S.A. de C.V.	8.88%	04/07/2020	22,038,910
26,428,000	Banco de Reservas de la Republica Dominicana	7.00%	02/01/2023	27,352,980	26,000,000	Grupo Posadas S.A.B. de C.V.	7.88% ^A	06/30/2022	27,040,000
572,000	Banco de Reservas de la Republica Dominicana	7.00% ^A	02/01/2023	592,020	4,000,000	Grupo Posadas S.A.B. de C.V.	7.88%	06/30/2022	4,160,000
40,000,000	Banco do Brasil S.A.	9.25% ^{#†}	04/15/2023	37,400,000	24,000,000	GTL Trade Finance, Inc.	7.25%	04/16/2044	23,370,000
6,350,000	Banco do Brasil S.A.	9.00% ^{#A†}	06/18/2024	5,516,245	19,000,000	Inkia Energy Ltd.	8.38%	04/04/2021	19,788,500
1,500,000	Banco GNB Sudameris S.A.	7.50%	07/30/2022	1,614,375	5,622,000	Inkia Energy Ltd.	8.38% ^A	04/04/2021	5,855,313
10,000,000	Bantrab Senior Trust	9.00% ^A	11/14/2020	8,850,000	11,800,000	Instituto Costarricense de Electricidad	6.38%	05/15/2043	10,354,500
2,258,000	Bantrab Senior Trust	9.00%	11/14/2020	1,998,330	15,000,000	Instituto Costarricense de Electricidad	6.38% ^A	05/15/2043	13,162,500
23,205,000	BR Malls International Finance Ltd.	8.50% [†]	04/21/2049	23,205,000	4,750,000	Intelsat Jackson Holdings S.A.	8.00% ^A	02/15/2024	4,785,625
12,566,000	Braskem Finance Ltd.	7.38% [†]	10/29/2049	12,534,585	5,000,000	Intelsat S.A.	7.75%	06/01/2021	1,687,500
3,925,000	C10 Capital SPV Ltd.	6.72% ^{#†}	12/29/2049	3,561,937	18,000,000	JBS Investments GmbH	7.75%	10/28/2020	18,900,000
3,746,000	Camelot Finance S.A.	7.88% ^A	10/15/2024	3,872,427	8,725,000	Kronos Acquisition Holdings, Inc.	9.00% ^A	08/15/2023	9,035,784
15,500,000	Camposol S.A.	10.50% ^A	07/15/2021	14,260,000	6,000,000	Latam Airlines Group S.A.	7.25% ^A	06/09/2020	6,180,000
14,775,000	Cemex Finance LLC	9.38%	10/12/2022	16,289,438					
18,230,000	CFG Investment S.A.C.	9.75% ^Ω	07/30/2019	10,892,425					

PRINCIPAL AMOUNT \$	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$
5,800,000	LBC Tank Terminals Holding B.V.	6.88% [^]	05/15/2023	5,800,000
4,825,000	Lundin Mining Corporation	7.50% [^]	11/01/2020	5,150,687
7,500,000	Lundin Mining Corporation	7.88% [^]	11/01/2022	8,025,000
23,000,000	Magnesita Finance Ltd.	8.63% [†]	04/05/2017	19,090,000
15,000,000	Marfrig Holdings Europe B.V.	8.00% [^]	06/08/2023	15,405,000
12,650,000	Marfrig Overseas Ltd.	9.50%	05/04/2020	13,092,750
13,168,000	Minerva Luxembourg S.A.	8.75% ^{##}	04/03/2019	13,365,520
17,500,000	Minerva Luxembourg S.A.	8.75% ^{##†}	04/03/2019	17,762,500
1,222,000	Minerva Luxembourg S.A.	12.25%	02/10/2022	1,338,090
3,000,000	Nitrogenmuvек Vegyipari Zrt	7.88%	05/21/2020	3,128,805
30,000,000	Noble Group Ltd.	6.00% ^{##}	06/24/2049	15,656,250
29,000,000	OAS Financial Ltd.	8.88% ^{##†Ω}	04/25/2018	1,450,000
4,784,000	OAS Financial Ltd.	8.88% ^{##†Ω}	04/29/2049	239,200
10,000,000	Odebrecht Finance Ltd.	5.25%	06/27/2029	3,700,000
28,000,000	Odebrecht Finance Ltd.	7.13%	06/26/2042	11,480,000
5,000,000	Odebrecht Finance Ltd.	7.50% [†]	09/29/2049	2,375,000
12,500,000	Pacific Rubiales Energy Corporation	7.25% ^Ω	12/12/2021	2,390,625
1,500,000	Pacific Rubiales Energy Corporation	7.25% ^{^Ω}	12/12/2021	286,875
14,200,000	Pacific Rubiales Energy Corporation	5.13% ^Ω	03/28/2023	2,698,000
5,200,000	Pacific Rubiales Energy Corporation	5.63% ^Ω	01/19/2025	988,000
19,800,000	Pacific Rubiales Energy Corporation	5.63% ^{^Ω}	01/19/2025	3,762,000
4,093,000	Pan American Energy LLC	7.88%	05/07/2021	4,399,975
15,200,000	Pesquera Exalmar S.A.A.	7.38%	01/31/2020	12,122,000
25,000,000	Petrobras Argentina SA	7.38% [^]	07/21/2023	25,750,000
13,100,000	Petrobras Global Finance B.V.	8.38%	05/23/2021	14,386,420
17,200,000	Petrobras Global Finance B.V.	6.75%	01/27/2041	14,964,000
7,500,000	Sappi Papier Holding GmbH	7.50%	06/15/2032	7,162,500
21,119,000	Sappi Papier Holding GmbH	7.50% [^]	06/15/2032	20,168,645
12,000,000	Sixsigma Networks Mexico S.A. de C.V.	8.25% [^]	11/07/2021	11,730,000
10,170,000	Sixsigma Networks Mexico S.A. de C.V.	8.25%	11/07/2021	9,941,175
2,000,000	Telefonica Celular del Paraguay S.A.	6.75%	12/13/2022	2,080,000
2,770,000	TV Azteca S.A.B. de C.V.	7.50%	05/25/2018	2,330,263
28,007,000	TV Azteca S.A.B. de C.V.	7.63%	09/18/2020	20,655,162
24,100,000	Unifin Financiera S.A.B. de C.V.	7.25% [^]	09/27/2023	24,121,690
26,000,000	Vedanta Resources PLC	8.25%	06/07/2021	26,390,000
16,600,000	Vedanta Resources PLC	7.13% [^]	05/31/2023	15,749,250
6,000,000	Votorantim Cimentos S.A.	7.25%	04/05/2041	5,880,000
Total Foreign Corporate Bonds (Cost \$1,482,248,577)				1,330,904,392

PRINCIPAL AMOUNT \$	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$
MUNICIPAL BONDS 1.4%				
45,000,000	Commonwealth of Puerto Rico General Obligation	8.00% ^Ω	07/01/2035	29,531,250
Total Municipal Bonds (Cost \$37,990,594)				29,531,250
NON-AGENCY COMMERCIAL MORTGAGE BACKED OBLIGATIONS 12.3%				
9,948,000	Bear Stearns Commercial Mortgage Securities, Inc., Series 2007-T26-AI	5.57% [#]	01/12/2045	9,597,876
10,000,000	Citigroup Commercial Mortgage Trust, Series 2015-GC27-D	4.58% ^{^A}	02/10/2048	8,175,989
98,792,308	Citigroup Commercial Mortgage Trust, Series 2015-GC27-XA	1.58% ^{^I/O}	02/10/2048	8,730,029
Commercial Mortgage Pass-Through Certificates,				
14,000	Series 2014-UBS4-V	0.00% ^{^∞}	08/10/2047	—
3,438,112	Series 2014-UBS4-E	3.75% ^{^A}	08/10/2047	2,368,801
3,929,315	Series 2014-UBS4-F	3.75% ^{^A}	08/10/2047	2,326,170
7,367,549	Series 2014-UBS4-G	3.75% ^{^∞}	08/10/2047	2,220,432
Great Wolf Trust,				
30,000,000	Series 2015-WFMZ-M	7.51% ^{^A}	05/15/2032	28,841,262
GS Mortgage Securities Corporation,				
17,730,000	Series 2014-GC20-E	4.53% ^{^A}	04/10/2047	12,644,646
65,010,362	Series 2014-GC20-XD	1.36% ^{^A I/O}	04/10/2047	4,075,935
JP Morgan Chase Commercial Mortgage Securities Corporation,				
4,100,000	Series 2003-C1-F	5.61% ^{^A}	01/12/2037	4,053,520
3,990,000	Series 2014-FL6-FMS1	3.82% ^{^A}	11/15/2031	3,835,368
3,649,000	Series 2014-FL6-FMS2	4.47% ^{^A}	11/15/2031	3,511,502
JP Morgan Chase Commercial Mortgage Securities Trust,				
4,500,000	Series 2007-LDPX-AM	5.46% [#]	01/15/2049	4,415,819
JPMBB Commercial Mortgage Securities Trust,				
57,259,829	Series 2013-C14-XC	1.12% ^{^A}	08/15/2046	3,142,580
14,113,175	Series 2014-C19-E	4.00% ^{^A}	04/15/2047	10,627,108
7,840,900	Series 2014-C19-F	3.75% ^{^A}	04/15/2047	4,431,786
25,090,332	Series 2014-C19-NR	3.75% ^{^A ∞}	04/15/2047	7,569,552
11,900,000	Series 2014-C21-E	3.90% ^{^A}	08/15/2047	8,684,418
55,727,164	Series 2014-C21-XD	0.92% ^{^A I/O}	08/15/2047	2,581,784
80,918,015	Series 2014-C26-XA	1.32% ^{^I/O}	01/15/2048	4,801,804
12,020,000	Series 2015-C27-E	2.81% ^{^A}	02/15/2048	6,961,659
24,531,000	Series 2015-C27-XE	1.68% ^{^A I/O}	02/15/2048	2,598,478
LB-UBS Commercial Mortgage Trust,				
19,000,000	Series 2007-C1-AJ	5.48%	02/15/2040	19,047,576
Merrill Lynch/Countrywide Commercial Mortgage Trust,				
6,069,588	Series 2006-1-B	5.98% [#]	02/12/2039	6,062,163
Wachovia Bank Commercial Mortgage Trust,				
25,305,000	Series 2007-C33-AI	6.16% [#]	02/15/2051	25,369,958
3,937,000	Series 2007-C33-B	6.16% [#]	02/15/2051	3,802,022
Wells Fargo Commercial Mortgage Trust,				
4,870,000	Series 2014-LC16-E	3.25% ^{^A}	08/15/2050	3,182,233
4,870,000	Series 2014-LC16-XC	1.80% ^{^A I/O}	08/15/2050	508,617
12,175,807	Series 2014-LC16-XD	1.80% ^{^A I/O}	08/15/2050	1,123,029
18,361,980	Series 2015-C29-E	4.37% ^{^A}	06/15/2048	11,882,276
9,180,600	Series 2015-C29-F	4.37% ^{^A}	06/15/2048	4,373,197
39,018,814	Series 2015-C29-G	4.37% ^{^∞}	06/15/2048	11,822,467
WFRBS Commercial Mortgage Trust,				
21,973,000	Series 2014-LC14-E	3.50% ^{^A}	03/15/2047	14,970,535
87,892,034	Series 2014-LC14-XC	1.65% ^{^A I/O}	03/15/2047	7,123,162
Total Non-Agency Commercial Mortgage Backed Obligations (Cost \$272,127,360)				255,463,753

PRINCIPAL AMOUNT \$	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$	PRINCIPAL AMOUNT \$	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$
NON-AGENCY RESIDENTIAL COLLATERALIZED MORTGAGE OBLIGATIONS 6.4%					7,083,000	Kindred Healthcare, Inc.	8.75%	01/15/2023	7,109,561
					7,850,000	Legacy Reserves LP	6.63%	12/01/2021	4,121,250
30,000,000	CIM Trust, Series 2016-1RR-B2	12.32% ^{#^}	07/26/2055	26,585,160	15,350,000	Memorial Production Partners LP	7.63%	05/01/2021	7,828,500
15,000,000	Series 2016-2RR-B2	13.12% ^{#^}	02/27/2056	13,442,739	1,906,000	Microsemi Corporation	9.13% [^]	04/15/2023	2,182,370
15,000,000	Series 2016-3RR-B2	13.56% ^{#^}	02/27/2056	13,480,079	7,420,000	MPH Acquisition Holdings LLC	7.13% [^]	06/01/2024	7,995,050
13,818,810	PFCA Home Equity Investment Trust, Series 2002-IFC2-A	4.63% ^{#^}	10/22/2033	13,025,216	7,360,000	Navient Corporation	8.00%	03/25/2020	7,912,000
31,284,022	Series 2003-IFC3-A	4.95% ^{#^}	08/22/2034	31,657,534	5,000,000	Neptune Finco Corporation	10.88% [^]	10/15/2025	5,862,500
33,375,483	Series 2003-IFC4-A	4.08% ^{#^}	10/22/2034	32,254,391	7,590,000	NRG Energy, Inc.	7.25% [^]	05/15/2026	7,760,775
3,655,622	Wachovia Mortgage Loan Trust, Series 2007-A-4A1	4.15% [#]	03/20/2037	3,259,707	10,450,000	Omega LLC Senior Unsecured Term Loan	8.75% [^]	07/15/2023	11,416,625
	Total Non-Agency Residential Collateralized Mortgage Obligations (Cost \$129,015,695)			133,704,826	10,150,000	Onex York Acquisition Corporation	8.50% [^]	10/01/2022	7,942,375
US CORPORATE BONDS 20.6%					8,930,000	OPE KAG Finance Sub, Inc.	7.88% [^]	07/31/2023	8,505,825
11,840,000	Ahern Rentals, Inc.	7.38% [^]	05/15/2023	7,725,600	4,880,000	PDC Energy, Inc.	7.75%	10/15/2022	5,233,800
7,930,000	Air Medical Merger Sub Corporation	6.38% [^]	05/15/2023	7,711,925	7,095,000	Prime Security Services Borrower LLC	9.25% [^]	05/15/2023	7,751,288
8,000,000	American Eagle Energy Corporation	11.00% [^]	09/01/2019	1,080,000	8,215,000	RCN Telecom Services LLC	8.50% [^]	08/15/2020	8,769,513
8,127,000	American Tire Distributors, Inc.	10.25% [^]	03/01/2022	7,436,205	4,795,000	RegionalCare Hospital Partners Holdings, Inc.	8.25% [^]	05/01/2023	4,962,825
8,253,000	Argos Merger Sub, Inc.	7.13% [^]	03/15/2023	8,686,282	10,920,000	Reynolds Group Issuer LLC	8.25%	02/15/2021	11,394,354
5,870,000	BCD Acquisition, Inc.	9.63% [^]	09/15/2023	6,163,500	6,340,000	Sanchez Energy Corporation	7.75%	06/15/2021	5,610,900
2,905,000	Beazer Homes USA, Inc.	8.75% [^]	03/15/2022	3,072,037	5,470,000	SandRidge Energy, Inc.	8.75% [^]	06/01/2020	1,982,875
4,800,000	BMC Software Finance, Inc.	8.13% [^]	07/15/2021	4,380,000	9,761,000	Scientific Games International, Inc.	7.00% [^]	01/01/2022	10,371,063
11,345,000	Builders Firstsource, Inc.	10.75% [^]	08/15/2023	13,075,112	7,956,000	Select Medical Corporation	6.38%	06/01/2021	7,866,495
7,310,000	Cengage Learning, Inc.	9.50% [^]	06/15/2024	7,456,200	9,300,000	Signode Industrial Group, Inc.	6.38% [^]	05/01/2022	9,462,750
10,800,000	Cequel Communications Holdings LLC	7.75% [^]	07/15/2025	11,718,000	8,115,000	Solera Finance, Inc.	10.50% [^]	03/01/2024	9,088,800
2,935,000	Cincinnati Bell, Inc.	7.00% [^]	07/15/2024	3,015,712	11,052,000	Southern Graphics, Inc.	8.38% [^]	10/15/2020	11,273,040
6,905,000	Constellis Holdings LLC	9.75% [^]	05/15/2020	6,818,687	10,600,000	Surgery Center Holdings, Inc.	8.88% [^]	04/15/2021	11,342,000
5,000,000	Deck Chassis Acquisition Inc	10.00% [^]	06/15/2023	5,262,500	7,720,000	Tenet Healthcare Corporation	6.75%	06/15/2023	7,198,900
2,600,000	Double Eagle Acquisition	7.50% [^]	10/01/2024	2,655,250	7,000,000	TMS International Corporation	7.63% [^]	10/15/2021	6,020,000
9,845,000	Embarq Corporation	8.00%	06/01/2036	9,987,556	7,375,000	TransDigm, Inc.	6.50%	07/15/2024	7,799,063
3,935,000	EMI Music Publishing Group North America Holdings, Inc.	7.63% [^]	06/15/2024	4,274,394	11,840,000	Triangle USA Petroleum Corporation	6.75% [^]	07/15/2022	2,664,000
4,983,000	Endo Finance LLC	7.25% [^]	01/15/2022	4,808,595	5,210,000	Viking Cruises Ltd.	8.50% [^]	10/15/2022	5,366,300
4,005,000	Energy Gulf Coast, Inc.	11.00% [^]	03/15/2020	1,622,025	3,925,000	Viking Cruises Ltd.	6.25% [^]	05/15/2025	3,689,500
1,130,000	Energy Gulf Coast, Inc.	7.50% [^]	12/15/2021	113,000	3,385,000	Vizient, Inc.	10.38% [^]	03/01/2024	3,892,750
2,250,000	Energy Gulf Coast, Inc.	6.88% [^]	03/15/2024	225,000	5,000,000	Western Digital Corporation	10.50% [^]	04/01/2024	5,818,750
11,710,000	Energy Partners Ltd.	8.25% [^]	02/15/2018	1,668,675	5,539,000	WMG Acquisition Corporation	6.75% [^]	04/15/2022	5,899,035
13,510,000	Ensemble S Merger Sub, Inc.	9.00% [^]	09/30/2023	14,253,050	8,275,000	Woodside Homes Company LLC	6.75% [^]	12/15/2021	8,057,781
11,020,000	Expo Event Transco, Inc.	9.00% [^]	06/15/2021	11,502,125	5,075,000	Xerium Technologies, Inc.	9.50% [^]	08/15/2021	5,151,125
2,525,000	Extraction Oil & Gas Holdings LLC	7.88% [^]	07/15/2021	2,632,313		Total US Corporate Bonds (Cost \$462,076,868)			429,808,441
3,395,000	First Data Corporation	7.00% [^]	12/01/2023	3,598,700	US GOVERNMENT / AGENCY MORTGAGE BACKED OBLIGATIONS 8.5%				
4,200,000	Frontier Communications Corporation	11.00%	09/15/2025	4,394,250		Federal Home Loan Mortgage Corporation,			
9,612,000	Gates Global LLC	6.00% [^]	07/15/2022	9,179,460	16,237,043	Series 3631-SI	5.72% [#]	02/15/2040	3,237,819
11,060,000	Hillman Group, Inc.	6.38% [^]	07/15/2022	10,424,050	19,860,542	Series 3770-SP	5.98% [#]	11/15/2040	2,292,085
9,400,000	Infor US, Inc.	6.50%	05/15/2022	9,564,500					

PRINCIPAL AMOUNT \$/ SHARES	SECURITY DESCRIPTION	RATE	MATURITY	VALUE \$
Federal Home Loan Mortgage Corporation, (Cont.)				
40,717,246	Series 3980-SX	5.98% [#] /F 1/0	01/15/2042	8,879,075
17,289,372	Series 4212-NS	4.77% [#] /F	06/15/2043	17,181,207
Federal National Mortgage Association,				
7,587,460	Series 2006-83-SH	6.03% [#] /F 1/0	09/25/2036	1,611,894
14,915,893	Series 2007-22-S	6.22% [#] /F 1/0	03/25/2037	3,159,844
31,824,829	Series 2010-123-SK	5.52% [#] /F 1/0	11/25/2040	6,394,728
40,446,243	Series 2012-52-PS	6.05% [#] /F 1/0	05/25/2042	8,979,127
23,366,987	Series 2013-55-US	5.21% [#] /F	06/25/2043	22,685,243
42,064,713	Series 2013-58-KS	5.14% [#] /F	06/25/2043	40,876,196
23,600,419	Series 2013-58-SC	5.21% [#] /F	06/25/2043	22,947,907
37,713,885	Series 2013-64-SH	5.21% [#] /F	06/25/2043	37,984,667
Total US Government / Agency Mortgage Backed Obligations (Cost \$169,611,795)				176,229,792
SHORT TERM INVESTMENTS 1.8%				
12,807,987	BlackRock Liquidity Funds FedFund - Institutional Shares	0.34% [♦]		12,807,987
12,807,986	Fidelity Institutional Money Market Government Portfolio - Class I	0.27% [♦]		12,807,986
12,807,986	Morgan Stanley Institutional Liquidity Funds Government Portfolio - Institutional Share Class	0.29% [♦]		12,807,986
Total Short Term Investments (Cost \$38,423,959)				38,423,959
Total Investments 136.8% (Cost \$3,060,161,303)‡				2,848,837,909
Liabilities in Excess of Other Assets (36.8)%				(765,620,128)
NET ASSETS 100.0%				\$2,083,217,781

SECURITY TYPE BREAKDOWN as a % of Net Assets:

Foreign Corporate Bonds	63.9%
US Corporate Bonds	20.6%
Bank Loans	13.2%
Non-Agency Commercial Mortgage Backed Obligations	12.3%
Collateralized Loan Obligations	8.7%
US Government / Agency Mortgage Backed Obligations	8.5%
Non-Agency Residential Collateralized Mortgage Obligations	6.4%
Short Term Investments	1.8%
Municipal Bonds	1.4%
Other Assets and Liabilities	(36.8)%
	100.0%

COUNTRY BREAKDOWN as a % of Net Assets:

United States	72.0%
Brazil	16.0%
Mexico	13.4%
Peru	6.0%
Colombia	4.0%
Dominican Republic	3.8%
Chile	3.2%
Canada	2.1%
India	2.0%
Jamaica	2.0%
Indonesia	1.8%
Argentina	1.4%
Luxembourg	1.4%
South Africa	1.3%
El Salvador	1.2%
Guatemala	1.2%
Costa Rica	1.1%
China	0.8%
Netherlands	0.5%
Russia	0.4%
Ireland	0.4%
Australia	0.3%
Uruguay	0.2%
Hungary	0.2%
Paraguay	0.1%
Other Assets and Liabilities	(36.8)%
	100.0%

INVESTMENT BREAKDOWN as a % of Net Assets:	
Non-Agency Commercial Mortgage Backed Obligations	12.3%
Consumer Products	8.7%
Collateralized Loan Obligations	8.7%
US Government / Agency Mortgage Backed Obligations	8.5%
Building and Development (including Steel/Metals)	7.6%
Utilities	7.1%
Oil & Gas	6.9%
Non-Agency Residential Collateralized Mortgage Obligations	6.4%
Mining	5.9%
Telecommunications	5.3%
Finance	4.9%
Transportation	4.6%
Banking	4.0%
Healthcare	4.0%
Media	3.6%
Pulp & Paper	3.6%
Technology	3.1%
Business Equipment and Services	2.7%
Hotels/Motels/Inns and Casinos	2.7%
Chemicals/Plastics	2.5%
Retailers (other than Food/Drug)	2.5%
Electronics/Electric	2.5%
Industrial Equipment	2.1%
Containers and Glass Products	2.1%
Short Term Investments	1.8%
Construction	1.7%
Automotive	1.6%
Financial Intermediaries	1.4%
Municipal Bonds	1.4%
Insurance	1.4%
Real Estate	1.1%
Leisure	0.7%
Beverage and Tobacco	0.7%
Aerospace and Defense	0.5%
Cosmetics/Toiletries	0.4%
Energy	0.4%
Health Care Providers & Services	0.3%
Conglomerate	0.3%
Pharmaceuticals	0.2%
Food Products	0.2%
Food/Drug Retailers	0.2%
Environmental Control	0.2%
Other Assets and Liabilities	(36.8)%
	<u>100.0%</u>

Variable rate security. Rate disclosed as of September 30, 2016.

^ Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional buyers. These securities are determined to be liquid by the Adviser, unless otherwise noted, under procedures established by the Fund's Board of Trustees. At September 30, 2016, the value of these securities amounted to \$1,301,997,279 or 62.5% of net assets.

† Perpetual Maturity

I/O Interest only security

I/F Inverse floating rate security whose interest rate moves in the opposite direction of reference interest rates

◆ Seven-day yield as of September 30, 2016

∞ Illiquid security. At September 30, 2016, the value of these securities amounted to \$123,527,828 or 5.9% of net assets.

Ω Security is in default or has failed to make a scheduled payment. Income is not being accrued.

‡ Under the Fund's Revolving Credit and Security Agreement, the lenders, through their agent, have been granted a security interest in all of the Fund's investments in consideration of the Fund's borrowings under the line of credit with the lenders (see Note 9).

PIK A payment-in-kind security in which the issuer may make interest or dividend payments in cash or additional securities. These additional securities generally have the same terms as the original holdings.

Statement of Assets and Liabilities

September 30, 2016

ASSETS	
Investments in Securities, at Value*	\$2,810,413,950
Short Term Investments*	38,423,959
Interest and Dividends Receivable	43,528,817
Receivable for Investments Sold	17,446,298
Cash	5,389,080
Prepaid Expenses and Other Assets	120,030
Total Assets	2,915,322,134
LIABILITIES	
Loan Payable	770,000,000
Payable for Investments Purchased	57,223,935
Investment Advisory Fees Payable	2,338,217
Administration, Fund Accounting and Custodian Fees Payable	1,121,425
Payable to Broker	1,092,514
Professional Fees Payable	179,832
Accrued Expenses	148,430
Total Liabilities	832,104,353
Commitments and Contingencies (See Note 2 and Note 9)	
Net Assets	\$2,083,217,781
NET ASSETS CONSIST OF:	
Capital Stock (\$0.00001 par value)	\$ 1,013
Additional Paid-in Capital	2,414,152,355
Undistributed (Accumulated) Net Investment Income (Loss) (See Note 5)	(11,647,412)
Accumulated Net Realized Gain (Loss) on Investments	(107,964,781)
Net Unrealized Appreciation (Depreciation) on Investments	(211,323,394)
Net Assets	\$2,083,217,781
*Identified Cost:	
Investments in Securities	\$3,021,737,344
Short Term Investments	38,423,959
Shares Outstanding and Net Asset Value Per Share:	
Shares Outstanding (unlimited authorized)	101,349,841
Net Asset Value per Share	\$ 20.55

Statement of Operations

For the Year Ended September 30, 2016

INVESTMENT INCOME

Income:	
Interest	\$216,619,790
Total Investment Income	216,619,790
Expenses:	
Investment Advisory Fees	27,336,223
Interest Expense	11,011,526
Administration, Fund Accounting and Custodian Fees	4,377,136
Professional Fees	269,369
Shareholder Reporting Expenses	269,225
Trustees Fees	174,216
Registration Fees	102,989
Insurance Expenses	43,262
Miscellaneous Expenses	40,041
Transfer Agent Expenses	31,776
Total Expenses	43,655,763
Net Investment Income (Loss)	172,964,027
REALIZED & UNREALIZED GAIN (LOSS)	
Net Realized Gain (Loss) on Investments	(53,038,530)
Net Change in Unrealized Appreciation (Depreciation) on Investments	147,845,611
Net Realized and Unrealized Gain (Loss) on Investments	94,807,081
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$267,771,108

Statements of Changes in Net Assets

	Year Ended September 30, 2016	Year Ended September 30, 2015
OPERATIONS		
Net Investment Income (Loss)	\$ 172,964,027	\$ 187,149,546
Net Realized Gain (Loss) on Investments	(53,038,530)	(39,485,716)
Net Change in Unrealized Appreciation (Depreciation) on Investments	147,845,611	(296,717,366)
Net Increase (Decrease) in Net Assets Resulting from Operations	267,771,108	(149,053,536)
DISTRIBUTIONS TO SHAREHOLDERS		
From Net Investment Income	(190,924,692)	(192,868,749)
From Return of Capital	(322,459)	—
Total Distributions to Shareholders	(191,247,151)	(192,868,749)
Total Increase (Decrease) in Net Assets	\$ 76,523,957	\$ (341,922,285)
NET ASSETS		
Beginning of Period	\$2,006,693,824	\$2,348,616,109
End of Period	\$2,083,217,781	\$2,006,693,824
Undistributed (Accumulated) Net Investment Income (Loss) (See Note 5)	\$ (11,647,412)	\$ 3,249,620

Statement of Cash Flows

For the Year Ended September 30, 2016

CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES

Net Increase (Decrease) in Net Assets Resulting from Operations	\$ 267,771,108
Adjustments to Reconcile the Change in Net Assets from Operations to Net Cash Provided By (Used In) Operating activities:	
Purchases of Long Term Investments	(951,976,172)
Proceeds from Disposition of Long Term Investments	1,107,757,682
Net (Purchases of) Proceeds from Disposition of Short Term Investments	(24,288,987)
Net Amortization (Accretion) of Premiums/Discounts	(1,532,496)
Net Realized (Gain) Loss on Investments	53,038,530
Net Change in Unrealized (Appreciation) Depreciation on Investments	(147,845,611)
(Increase) Decrease in:	
Receivable for Investments Sold	(9,898,948)
Interest and Dividends Receivable	9,326,604
Prepaid Expenses and Other Assets	72,630
Increase (Decrease) in:	
Payable for Investments Purchased	48,467,330
Investment Advisory Fees Payable	(194,653)
Payable to Broker	64,396
Accrued Expenses	40,284
Administration, Fund Accounting and Custodian Fees Payable	(115,408)
Professional Fees Payable	(12,557)
Net Cash Provided By (Used In) Operating Activities	350,673,732

CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES

Increase in borrowings	70,000,000
Decrease in borrowings	(225,000,000)
Cash Dividends Paid to Common Stockholders	(191,247,151)
Net Cash Provided By (Used In) Financing Activities	(346,247,151)

NET CHANGE IN CASH

Cash at Beginning of Period	962,499
Cash at End of Period	\$ 5,389,080

SUPPLEMENTAL DISCLOSURE OF CASH FLOW AND NON-CASH INFORMATION

Cash Paid for Interest on Loan Outstanding	\$ 10,829,805
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Financial Highlights

	Year Ended September 30, 2016	Year Ended September 30, 2015	Year Ended September 30, 2014	Period Ended September 30, 2013 ¹
Net Asset Value, Beginning of Period	\$ 19.80	\$ 23.17	\$ 22.24	\$ 23.83 ²
Income (Loss) from Investment Operations:				
Net Investment Income (Loss) ³	1.71	1.85	1.78	0.56
Net Gain (Loss) on Investments (Realized and Unrealized)	0.93	(3.32)	0.95	(1.55)
Total from Investment Operations	2.64	(1.47)	2.73	(0.99)
Less Distributions:				
Distributions from Net Investment Income	(1.89)	(1.90)	(1.80)	(0.59)
Return of Capital	<u>—</u> ⁸	<u>—</u>	<u>—</u>	(0.01)
Total Distributions	(1.89)	(1.90)	(1.80)	(0.60)
Net Asset Value, End of Period	\$ 20.55	\$ 19.80	\$ 23.17	\$ 22.24
Market Price, End of Period	\$ 19.15	\$ 17.29	\$ 21.65	\$ 21.95
Total Return on Net Asset Value ⁴	14.66%	(6.77)%	12.66%	(4.16)% ⁷
Total Return on Market Price ⁵	23.32%	(12.20)%	7.21%	(9.73)% ⁷
Supplemental Data:				
Net Assets, End of Period (000's)	\$2,083,218	\$2,006,694	\$2,348,616	\$2,253,982
Ratios to Average Net Assets:				
Expenses, including interest expense	2.26%	2.27%	2.17%	1.74% ⁶
Expenses, excluding interest expense	1.69%	1.75%	1.71%	1.47% ⁶
Net Investment Income (Loss)	8.97%	8.41%	7.71%	5.71% ⁶
Portfolio Turnover Rate	35%	51%	55%	5% ⁷

¹ The Fund commenced operations on April 26, 2013.

² Net Asset Value, Beginning of Period, reflects a deduction of \$1.17 per share of sales load and offering expenses from the initial public offering price of \$25.00 per share.

³ Calculated based on average shares outstanding during the period.

⁴ Total Return on Net Asset Value is computed based upon the Net Asset Value of common stock on the first business day and the closing Net Asset Value on the last business day of the period. Dividends and distributions are assumed to be reinvested at the prices obtained under the Fund's dividend reinvestment plan.

⁵ Total Return on Market Price is computed based upon the New York Stock Exchange market price of the Fund's shares and excludes the effect of brokerage commissions. Dividends and distributions are assumed to be reinvested at the prices obtained under the Fund's dividend reinvestment plan.

⁶ Annualized.

⁷ Not Annualized.

⁸ Less than \$0.005 per share

1. Organization

DoubleLine Income Solutions Fund (the “Fund”) was formed as a closed-end management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”), and originally classified as a non-diversified fund. The Fund was organized as a Massachusetts business trust on January 10, 2013 and commenced operations on April 26, 2013. The Fund is listed on the New York Stock Exchange (“NYSE”) under the symbol “DSL”. The Fund’s primary investment objective is to seek high current income and its secondary objective is to seek capital appreciation.

During the Fund’s 2016 fiscal year, the Fund became classified as a diversified management investment company. Diversified status means that at least 75% of the value of its total assets is represented by cash and cash items (including receivables), government securities, securities of other investment companies, and other securities for the purposes of this calculation limited in respect of any one issuer to an amount not greater in value than 5% of the value of the total assets of such management company and to not more than 10% of the outstanding voting securities of such issuer.

2. Significant Accounting Policies

The Fund is an investment company that applies the accounting and reporting guidance issued in Topic 946, “Financial Services—Investment Companies”, by the Financial Accounting Standards Board (“FASB”). The following is a summary of the significant accounting policies of the Fund. These policies are in conformity with accounting principles generally accepted in the United States of America (“US GAAP”).

A. Security Valuation. The Fund has adopted US GAAP fair value accounting standards which establish a definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion of changes in valuation techniques and related inputs during the period. These inputs are summarized in the three broad levels listed below:

- Level 1—Unadjusted quoted market prices in active markets for identical securities
- Level 2—Quoted prices for identical or similar assets in markets that are not active, or inputs derived from observable market data
- Level 3—Significant unobservable inputs (including the reporting entity’s estimates and assumptions)

Assets and liabilities may be transferred between levels. The Fund uses end of period timing recognition to account for any transfers.

Market values for domestic and foreign fixed income securities are normally determined on the basis of valuations provided by independent pricing services. Vendors typically value such securities based on one or more inputs described in the following table which is not intended to be a complete list. The table provides examples of inputs that are commonly relevant for valuing particular classes of fixed income securities in which the Fund is authorized to invest. However, these classifications are not exclusive, and any of the inputs may be used to value any other class of fixed-income securities. Securities that use similar valuation techniques and inputs as described in the following table are categorized as Level 2 of the fair value hierarchy. To the extent the significant inputs are unobservable, the values generally would be categorized as Level 3.

Fixed-income class	Examples of Inputs
All	Benchmark yields, transactions, bids, offers, quotations from dealers and trading systems, new issues, spreads and other relationships observed in the markets among comparable securities; and proprietary pricing models such as yield measures calculated using factors such as cash flows, financial or collateral performance and other reference data (collectively referred to as “standard inputs”)
Corporate bonds and notes; convertible securities	Standard inputs and underlying equity of the issuer
US bonds and notes of government and government agencies	Standard inputs
Residential and commercial mortgage-backed obligations; asset-backed obligations (including collateralized loan obligations)	Standard inputs and cash flows, prepayment information, default rates, delinquency and loss assumptions, collateral characteristics, credit enhancements and specific deal information, trustee reports
Bank loans	Standard inputs

Investments in registered open-end management investment companies will be valued based upon the net asset value (“NAV”) of such investments and are categorized as Level 1 of the fair value hierarchy. Investments in private investment funds typically will

be valued based upon the NAVs of such investments and are categorized as Level 2 of the fair value hierarchy. As of September 30, 2016, the Fund did not hold any investments in private investment funds.

Over-the-counter financial derivative instruments, such as foreign currency exchange contracts, options contracts, futures, or swap agreements, derive their values from underlying asset prices, indices, reference rates, other inputs or a combination of these factors. These instruments are normally valued on the basis of evaluations provided by independent pricing services or broker dealer quotations. Depending on the instrument and the terms of the transaction, the value of the derivative instruments can be estimated by a pricing service provider using a series of techniques, such as simulation pricing models. The pricing models use issuer details and other inputs that are observed from actively quoted markets such as indices, spreads, interest rates, curves, dividends and exchange rates. Derivatives that use similar valuation techniques and inputs as described above are normally categorized as Level 2 of the fair value hierarchy. As of September 30, 2016, the Fund has no derivative instruments.

The Fund may enter into reverse repurchase agreements. In a reverse repurchase agreement, the Fund sells to a financial institution a security that it holds with an agreement to repurchase the same security at an agreed-upon price and date. A reverse repurchase agreement involves the risk that the market value of the security may decline below the repurchase price of the security. The Fund will segregate assets determined to be liquid by the Adviser or otherwise cover its obligations under reverse repurchase agreements. As of September 30, 2016, the Fund had no outstanding reverse repurchase agreements.

Securities may be fair valued in accordance with the fair valuation procedures approved by the Board of Trustees (the "Board"). The valuation committee is generally responsible for overseeing the day to day valuation processes and reports periodically to the Board. The valuation committee and the pricing group are authorized to make all necessary determinations of the fair values of portfolio securities and other assets for which market quotations are not readily available or if it is deemed that the prices obtained from brokers and dealers or independent pricing services are deemed to be unreliable indicators of market or fair value.

The following is a summary of the fair valuations according to the inputs used to value the Fund's investments as of September 30, 2016¹:

Category	
Investments in Securities	
Level 1	
Money Market Funds	\$ 38,423,959
Total Level 1	38,423,959
Level 2	
Foreign Corporate Bonds	1,330,904,392
US Corporate Bonds	428,728,441
Bank Loans	273,178,657
Collateralized Loan Obligations	181,123,896
US Government / Agency Mortgage Backed Obligations	176,229,792
Non-Agency Commercial Mortgage Backed Obligations	151,398,473
Non-Agency Residential Collateralized Mortgage Obligations	133,704,826
Municipal Bonds	29,531,250
Total Level 2	2,704,799,727
Level 3	
Non-Agency Commercial Mortgage Backed Obligations	104,065,280
US Corporate Bonds	1,080,000
Bank Loans	468,943
Total Level 3	105,614,223
Total	\$2,848,837,909

See the Schedule of Investments for further disaggregation of investment categories.

¹ There were no transfers into or out of Level 1 during the year ended September 30, 2016.

The following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining fair value:

	Fair Value as of 9/30/2015	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation) ³	Net Accretion (Amortization)	Purchases ¹	Sales ²	Transfers Into Level 3 ⁴	Transfers Out of Level 3 ⁴	Fair Value as of 9/30/2016	Net Change in Unrealized Appreciation (Depreciation) on securities held at 9/30/2016 ³
Investments in Securities										
Non-Agency Commercial Mortgage Backed Obligations	\$34,296,163	\$—	\$(2,214,418)	\$661,859	\$—	\$—	\$71,321,676	\$—	\$104,065,280	\$(2,214,418)
US Corporate Bonds	—	—	—	—	—	—	1,080,000	—	1,080,000	—
Bank Loans	—	—	—	—	—	—	468,943	—	468,943	—
Total	\$34,296,163	\$—	\$(2,214,418)	\$661,859	\$—	\$—	\$72,870,619	\$—	\$105,614,223	\$(2,214,418)

1 Purchases include all purchases of securities and payups.

2 Sales include all sales of securities, maturities, and paydowns.

3 Any difference between net change in unrealized appreciation (depreciation) and net change in unrealized appreciation (depreciation) on securities held at September 30, 2016 may be due to a security that was not held or categorized as Level 3 at either period end.

4 Transfers between Level 3 and Level 2 were due to a change in observable and/or unobservable inputs from the prior fiscal year end.

The following is a summary of quantitative information about Level 3 fair value measurements:

	Fair Value as of 9/30/2016 *	Valuation Techniques	Unobservable Inputs	Input Values	Impact to valuation from an increase to input
Non-Agency Commercial Mortgage Backed Obligations	\$104,065,280	Market Comparables	Yields	7.10% - 18.30%	Increase in yields would result in the decrease in the fair value of the security
US Corporate Bonds	1,080,000	Market Comparables	Market Quotes	\$13.50	Significant changes in the market quotes would result in direct and proportional changes in the fair value of the security
Bank Loans	468,943	Market Comparables	Market Quotes	\$13.75	Significant changes in the market quotes would result in direct and proportional changes in the fair value of the security

* Level 3 securities are typically valued by pricing vendors. The appropriateness of fair values for these securities is monitored on an ongoing basis by the Adviser, which may include back testing, results of vendor due diligence, unchanged price review and consideration of market and/or sector events.

B. Federal Income Taxes. The Fund has elected to be taxed as a “regulated investment company” and intends to distribute substantially all of its taxable income to its shareholders and otherwise comply with the provisions of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. Therefore, no provision for federal income taxes has been made.

The Fund may be subject to a nondeductible 4% excise tax calculated as a percentage of certain undistributed amounts of net investment income and net capital gains.

The Fund has followed the authoritative guidance on accounting for and disclosure of uncertainty in tax positions, which requires the Fund to determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Fund has determined that there was no effect on the financial statements from following this authoritative guidance. In the normal course of business, the Fund is subject to examination by federal, state and local jurisdictions, where applicable, for tax years for which applicable statutes of limitations have not expired. The Fund identifies its major tax jurisdictions as U.S. Federal, the Commonwealth of Massachusetts and the State of California.

C. Security Transactions, Investment Income. Investment securities transactions are accounted for on trade date. Gains and losses realized on sales of securities are determined on a specific identification basis. Interest income is recorded on an accrual basis. Discounts/premiums on debt securities purchased are accreted/amortized over the life of the respective securities using the effective interest method except for certain deep discount bonds where management does not expect the par value above the bond’s cost to be fully realized. Dividend income and corporate action transactions, if any, are recorded on the ex-date. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of securities received. Paydown gains and losses on mortgage-related and other asset-backed securities are recorded as components of interest income on the Statement of Operations.

D. Dividends and Distributions to Shareholders. Dividends from net investment income will be declared and paid monthly. The Fund will distribute any net realized long or short-term capital gains at least annually. Distributions are recorded on the ex-dividend date.

Income and capital gain distributions are determined in accordance with income tax regulations which may differ from US GAAP. Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications between paid-in capital, undistributed (accumulated) net investment income (loss), and/or undistributed (accumulated) realized gain (loss). Undistributed (accumulated) net investment income or loss may include temporary book and tax basis differences which will reverse in a subsequent period. Any taxable income or capital gain remaining at fiscal year end is distributed in the following year.

E. Use of Estimates. The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

F. Share Valuation. The NAV per share of the Fund is calculated by dividing the sum of the value of the securities held by the Fund, plus cash and other assets, minus all liabilities (including estimated accrued expenses) by the total number of shares outstanding, rounded to the nearest cent. The Fund's NAV is calculated on days when the NYSE opens for regular trading (except that the Fund does not calculate its NAV on holidays when the principal U.S. bond markets are closed, such as Columbus Day and Veterans Day).

G. Unfunded Loan Commitments. The Fund may enter into certain credit agreements, of which all or a portion may be unfunded. As of September 30, 2016, the Fund had no outstanding unfunded loan commitments. The Fund may also enter into certain credit agreements designed to provide standby short term or "bridge" financing to a borrower. Typically the borrower is not economically incented to draw on the bridge loan and as such the likelihood of funding is remote. As of September 30, 2016, the Fund had no outstanding bridge loan commitments. The Fund is obligated to fund these commitments at the borrower's discretion. The Fund generally will maintain with its custodian liquid investments having an aggregate value at least equal to the par value of unfunded loan commitments and bridge loans.

H. Guarantees and Indemnifications. Under the Fund's organizational documents, each Trustee and officer of the Fund is indemnified, to the extent permitted by the 1940 Act, against certain liabilities that may arise out of performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund has not had prior claims or losses pursuant to these contracts.

3. Related Party Transactions

DoubleLine Capital LP (the "Adviser") provides the Fund with investment management services under an Investment Management Agreement (the "Agreement"). Under the Agreement, the Adviser manages the investment of the assets of the Fund, places orders for the purchase and sale of its portfolio securities and is responsible for providing certain resources to assist with the day-to-day management of the Fund's business affairs. As compensation for its services, the Adviser is entitled to a monthly fee at the annual rate of 1.00% of the average daily total managed assets of the Fund. Total managed assets means the total assets of the Fund (including assets attributable to any reverse repurchase agreements, dollar roll transactions or similar transactions, borrowings, and/or preferred shares that may be outstanding) minus accrued liabilities (other than liabilities in respect of reverse repurchase agreements, dollar roll transactions or similar transactions, and borrowings). An affiliate of the Adviser owned 5,735 shares of the Fund as of September 30, 2016. The Adviser has arrangements with DoubleLine Group LP to provide personnel and other resources to the Fund.

4. Purchases and Sales of Securities

For the year ended September 30, 2016, purchases and sales of investments, excluding short term investments, were \$951,976,172 and \$1,107,757,682, respectively. There were no transactions in U.S. Government securities (defined as long-term U.S. Treasury bills, notes and bonds) during the period.

5. Income Tax Information

The tax character of distributions for the Fund were as follows:

	Year Ended September 30, 2016	Year Ended September 30, 2015
Distributions Paid From:		
Ordinary Income	\$190,924,692	\$192,868,749
Return of Capital	322,459	—
Total Distributions Paid	\$191,247,151	\$192,868,749

The Fund designated as long-term capital gain dividend, pursuant to Internal Revenue Code Section 852(b)(3), the amount necessary to reduce the earnings and profits of the Fund related to net capital gain to zero for the tax year ended September 30, 2016.

The cost basis of investments for federal income tax purposes as of September 30, 2016, was as follows:

Tax Cost of Investments	3,076,506,525
Gross Tax Unrealized Appreciation	78,683,231
Gross Tax Unrealized Depreciation	(306,351,847)
Net Tax Unrealized Appreciation (Depreciation)	(227,668,616)

As of September 30, 2016, the components of accumulated earnings (losses) for income tax purposes were as follows:

Net Tax Unrealized Appreciation (Depreciation)	(227,668,616)
Undistributed Ordinary Income	—
Total Distributable Earnings	—
Other Accumulated Gains (Losses)	(103,266,971)
Total Accumulated Earnings (Losses)	(330,935,587)

As of September 30, 2016, the following capital loss carryforward was available:

Capital Loss Carryforward	Expires
\$50,361,449	Indefinite

The Fund may elect to defer to the first day of the next taxable year all or part of any late-year ordinary loss or post-October capital loss. As of September 30, 2016, the Fund deferred, on a tax basis, qualified late year losses of \$52,892,861.

Additionally, US GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or NAV per share. The permanent differences primarily relate to consent income, market discount, PFICs, paydown losses, defaulted securities and return of capital. For the year ended September 30, 2016, the following table shows the reclassifications made:

Undistributed (Accumulated) Net Investment Income (Loss)	Accumulated Net Realized Gain (Loss)	Paid-In Capital
\$3,386,092	\$(3,063,633)	\$(322,459)

6. Share Transactions

There were no transactions in the Fund's shares for the years ended September 30, 2016 and September 30, 2015.

7. Trustees Fees

Trustees who are not affiliated with the Adviser and its affiliates received, as a group, fees of \$174,216 from the Fund during the year ended September 30, 2016. These trustees may elect to defer the cash payment of part or all of their compensation. These

deferred amounts, which remain as liabilities of the Fund, are treated as if invested in shares of the Fund or other funds managed by the Adviser and its affiliates. These amounts represent general, unsecured liabilities of the Fund and vary according to the total returns of the selected funds. Trustees Fees in the Fund's Statement of Operations are shown as \$174,216, which includes \$173,987 in current fees (either paid in cash or deferred) and an increase of \$229 in the value of the deferred amounts. Certain trustees and officers of the Fund are also officers of the Adviser; such trustees and officers are not compensated by the Fund.

8. Bank Loans

The Fund may make loans directly to borrowers and may acquire or invest in loans made by others ("loans"). The Fund may acquire a loan interest directly by acting as a member of the original lending syndicate. Alternatively, the Fund may acquire some or all of the interest of a bank or other lending institution in a loan to a particular borrower by means of a novation, an assignment or a participation. The loans in which the Fund may invest include those that pay fixed rates of interest and those that pay floating rates—*i.e.*, rates that adjust periodically based on a known lending rate, such as a bank's prime rate. The Fund may purchase and sell interests in bank loans on a when-issued and delayed delivery basis, with payment delivery scheduled for a future date. Securities purchased on a delayed delivery basis are marked to market daily and no income accrues to the Fund prior to the date the Fund actually takes delivery of such securities. These transactions are subject to market fluctuations and are subject, among other risks, to the risk that the value at delivery may be more or less than the trade purchase price.

9. Credit Facility

The Fund currently maintains a Revolving Credit and Security Agreement with HSBC Bank USA, National Association ("HSBC") and The Bank of New York Mellon ("BNY") (the "HSBC/BNY credit facility"). Prior to August 12, 2016, under the HSBC/BNY credit facility, \$900,000,000 was made available to the Fund. The amount made available to the Fund was reduced to \$850,000,000. Prior to August 12, 2016, borrowings under the HSBC/BNY credit facility bore an interest rate that was based on the London Interbank Offered Rate (LIBOR) and the period of the borrowing plus an additional 0.80%, subject to certain conditions that may have caused that rate of interest to increase. The additional 0.80% was reduced to an additional 0.75%. The Fund will also be responsible for paying an extension fee equal to 0.08% of the credit available to the Fund under the HSBC/BNY credit facility and a commitment fee of up to 0.25% of the available credit that has not been borrowed by the Fund. The HSBC/BNY credit facility was amended to extend the maturity date an additional 179 days to May 19, 2017. The HSBC/BNY credit facility may be extended by agreement of the parties for successive periods not exceeding 364 days from the date of any such extension, provided that the Fund may terminate in whole or reduce in part the unused portion of the credit facility at any time upon 30 days' prior written notice to HSBC, as the lending agent.

For the year ended September 30, 2016, the Fund's activity under the HSBC/BNY credit facility was as follows:

Maximum Amount Available	Average Borrowings	Maximum Amount Outstanding*	Interest Expense	Structuring Fee	Commitment Fee
\$850,000,000	\$804,084,699	\$925,000,000	\$9,850,722	\$750,000	\$229,083

* During the reporting period, the maximum amount available under the HSBC/BNY credit facility was reduced from \$1,050,000,000 to \$850,000,000.

10. Principal Risks

Below are summaries of some, but not all, of the principal risks of investing in the Fund, each of which could adversely affect the Fund's NAV, market price, yield, and total return. The Fund's prospectus provided additional information regarding these and other risks of investing in the Fund at the time of the initial public offering of the Fund's shares.

- **market discount risk:** The price of the Fund's common shares of beneficial interest will fluctuate with market conditions and other factors. Shares of closed-end management investment companies frequently trade at a discount from their net asset value.
- **issuer risk:** The value of securities may decline for a number of reasons that directly relate to the issuer, such as its financial strength, management performance, financial leverage and reduced demand for the issuer's goods and services, as well as the historical and prospective earnings of the issuer and the value of its assets.
- **investment and market risk:** An investment in the Fund is subject to the risk of loss. The value of the Fund's securities and financial assets may move up or down, sometimes rapidly and unpredictably. Further, the value of securities held by the Fund may decline in value due to factors affecting securities markets generally or particular industries. Securities markets

may, in response to governmental actions or intervention, economic or market developments, or other external factors, experience periods of high volatility and reduced liquidity. Certain securities may be difficult to value during such periods. These risks may be heightened for fixed income securities due to the current historically low interest rate environment.

- **collateralized debt obligations risk:** The risks of an investment in a collateralized debt obligation (“CDO”) depend largely on the quality and type of the collateral and the tranche of the CDO in which a Fund invests. Normally, collateralized bond obligations (“CBOs”), CLOs and other CDOs are privately offered and sold, and thus are not registered under the securities laws. As a result, investments in CDOs may be characterized by the Fund as illiquid securities; however, an active dealer market, or other relevant measures of liquidity, may exist for CDOs allowing a CDO potentially to be deemed liquid by the Adviser under liquidity policies approved by the Board. In addition to the risks associated with debt instruments (e.g., interest rate risk and credit risk), CDOs carry additional risks including, but not limited to: (i) the possibility that distributions from collateral will not be adequate to make interest or other payments; (ii) the quality of the collateral may decline in value or default; (iii) the possibility that a Fund may invest in CDOs that are subordinate to other classes; and (iv) the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.
- **credit risk:** Credit risk is the risk that one or more of the Fund’s investments in debt securities or other instruments will decline in price, or fail to pay interest, liquidation value or principal when due, because the issuer of the obligation or the issuer of a reference security experiences an actual or perceived decline in its financial status.
- **credit default swaps risk:** Credit default swaps involve greater risks than investing in the reference obligation directly as well as liquidity risk, counterparty risk and credit risk. A buyer will lose its investment and recover nothing should no event of default occur. When the Fund acts as a seller of a credit default swap, it is exposed to many of the same risks of leverage described herein since if an event of default occurs the seller must pay the buyer the full notional value of the reference obligation.
- **interest rate risk:** Interest rate the risk that debt obligations and other instruments in the Fund’s portfolio instruments will change in value because of changes in interest rates. The value of an instrument with a longer duration (whether positive or negative) will be more sensitive to changes in interest rates than a similar instrument with a shorter duration. As of the date of this report, interest rates in the U.S. are at or near historically low levels, increasing the exposure of bond investors to the risks associated with rising interest rates.
- **foreign (non-U.S.) investment risk:** The Fund’s investments in and exposure to foreign securities involve special risks. For example, the value of these investments may decline in response to unfavorable political and legal developments, unreliable or untimely information or economic and financial instability. Foreign securities may experience more rapid and extreme changes in value than investments in securities of U.S. issuers. Investing in securities of issuers based or doing business in emerging markets entails all of the risks of investing in securities of foreign issuers, but to a heightened degree. To the extent that the investments are made in a limited number of countries, events in those countries will have a more significant impact on the Fund. If the Fund buys securities denominated in a foreign currency, receives income in foreign currencies or holds foreign currencies from time to time, the value of the Fund’s assets, as measured in U.S. dollars, can be affected unfavorably by changes in exchange rates relative to the U.S. dollar or other foreign currencies. Foreign markets are also subject to the risk that a foreign government could restrict foreign exchange transactions or otherwise implement unfavorable currency regulations.
- **emerging markets risk:** Investing in emerging market countries involves substantial risk due to the potential to have limited information compared to what may be available or required by more developed countries; higher brokerage costs; different accounting, auditing and financial reporting standards; different clearing and settlement procedures and custodial services; the potential for less developed legal systems and thinner trading markets as compared to those in developed countries; currency blockages or transfer restrictions; an emerging market country’s dependence on revenue from particular commodities or international aid; and expropriation, nationalization or other adverse political or economic developments.
- **mortgage-backed securities risk:** The risk that borrowers may default on their mortgage obligations or the guarantees underlying the mortgage-backed securities will default or otherwise fail and that, during periods of falling interest rates, mortgage-backed securities will be called or prepaid, which may result in the Fund having to reinvest proceeds in other investments at a lower interest rate. During periods of rising interest rates, the average life of a mortgage-backed security may extend, which may lock in a below-market interest rate, increase the security’s duration, and reduce the value of the security. Enforcing rights against the underlying assets or collateral may be difficult, or the underlying assets or collateral may be insufficient if the issuer defaults. The values of certain types of mortgage-backed securities, such as inverse floaters and interest-only and principal-only securities, may be extremely sensitive to changes in interest rates and prepayment rates.

- **sovereign debt obligations risk:** Investments in countries' government debt obligations involve special risks. The issuer or governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt or otherwise in a timely manner.
- **loan risk:** Investments in loans are in many cases subject to the risks associated with below-investment grade securities. Investments in loans are also subject to special risks, including, among others, the risk that (i) if the Fund holds a loan through another financial institution, or relies on a financial institution to administer the loan, the Fund's receipt of principal and interest on the loan is subject to the credit risk of that financial institution; (ii) loans in which the Fund invests typically pay interest at floating rates, and the borrower may have the ability to change or adjust the interest rate on a loan or under circumstances that would be unfavorable to the Fund; (iii) it is possible that any collateral securing a loan may be insufficient or unavailable to the Fund; (iv) investments in highly leveraged loans or loans of stressed, distressed, or defaulted issuers may be subject to significant credit and liquidity risk; (v) transactions in loans may settle on a delayed basis, and the Fund potentially may not receive the proceeds from the sale of a loan for a substantial period of time after the sale; and (vi) loans may be difficult to value and may be illiquid, which may adversely affect an investment in the Fund. It is unclear whether the protections of the securities laws against fraud and misrepresentation extend to loans and other forms of direct indebtedness. In the absence of definitive regulatory guidance, the Fund relies on the Adviser's research in an attempt to avoid situations where fraud or misrepresentation could adversely affect the Fund. There can be no assurance that the Adviser's efforts in this regard will be successful.
- **high yield risk:** The risk that debt instruments rated below investment grade or debt instruments that are unrated and determined by the Adviser to be of comparable quality are predominantly speculative. These instruments, commonly known as "junk bonds," have a higher degree of default risk and may be less liquid than higher-rated bonds. These instruments may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions of high yield investments generally, and less secondary market liquidity.
- **leverage risk:** Leverage is a speculative technique that may expose the Fund to greater risk and increased costs. When leverage is used, the net asset value and market price of the Fund's shares and the Fund's investment return will likely be more volatile.
- **inverse floaters and related securities risk:** Investments in inverse floaters, residual interest tender option bonds and similar instruments expose the Fund to the same risks as investments in debt securities and derivatives, as well as other risks, including those associated with leverage and increased volatility. An investment in these securities typically will involve greater risk than an investment in a fixed rate security. Distributions on inverse floaters, residual interest tender option bonds and similar instruments will typically bear an inverse relationship to short term interest rates and typically will be reduced or, potentially, eliminated as interest rates rise.
- **foreign currency risk:** The Fund's investments in or exposure to foreign currencies or in securities or instruments that trade, or receive revenues, in foreign currencies are subject to the risk that those currencies will decline in value relative to the U.S. dollar or, in the case of hedging positions (if used), that the U.S. dollar will decline in value relative to the currency being hedged.
- **derivatives risk:** Derivatives are subject to a number of risks applicable to other investments, such as liquidity risk, issuer risk, credit risk, interest rate risk, leverage risk, counterparty risk, management risk and, if applicable, smaller company risk. They also involve the risk of mispricing or improper valuation, the risk of unfavorable or ambiguous documentation, and the risk that changes in the value of a derivative may not correlate perfectly or at all with an underlying asset, currency, interest rate or index.
- **counterparty risk:** The Fund will be subject to credit risk with respect to the counterparties to the derivative contracts (whether a clearing corporation in the case of exchange-traded instruments or another third party in the case of over-the-counter instruments) and other instruments entered into directly by the Fund or held by special purpose or structured vehicles in which the Fund invests. Subject to certain limitations for U.S. federal income tax purposes, the Fund is not subject to any limit with respect to the number of transactions it can enter into with a single counterparty. To the extent that the Fund enters into multiple transactions with a single or a small set of counterparties, it will be subject to increased counterparty risk.
- **restricted securities risk:** A Fund may hold securities that are restricted as to resale under the U.S. federal securities laws. There can be no assurance that a trading market will exist at any time for any particular restricted security. Limitations on the resale of these securities may prevent a Fund from disposing of them promptly at reasonable prices or at all. A Fund may have to bear the expense of registering the securities for resale and the risk of substantial delays in effecting the registration. Also, restricted securities may be difficult to value because market quotations may not be readily available, and the values of restricted securities may have significant volatility.

11. Recently Issued Accounting Pronouncements

In May 2015, the FASB issued Accounting Standards Update (“ASU”) No. 2015-07, which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. The guidance is effective for fiscal years beginning after December 15, 2015 and for interim periods within those years and early adoption is permitted. Management is currently evaluating the implications of these changes and their impact on the financial statements.

In January 2016, the FASB issued ASU 2016-01, “Recognition and Measurement of Financial Assets and Financial Liabilities.” The amendments in this update address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments for all entities that hold financial assets or owe financial liabilities. One of the amendments in this update eliminates the requirement for public business entities to disclose the methods and significant assumptions used to estimate the fair value that is required to be disclosed for financial instruments measured at amortized cost on the balance sheet or a description of changes in the methods and significant assumptions. Additionally, the update eliminates the requirement to disclose the fair value of financial instruments measured at amortized cost for entities that are not public business entities. Investment companies are specifically exempted from ASU 2016-01’s equity investment accounting provisions and will continue to follow the industry specific guidance for investment accounting under Topic 946. For public business entities, this update is effective for fiscal years beginning after December 15, 2017, and interim periods therein. For other entities, it is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Management is currently evaluating the implications of these changes and their impact on the financial statements and related disclosures.

In August, 2016, the FASB issued ASU No. 2016-15 — Classification of Certain Cash Receipts and Cash Payments (a consensus of the Emerging Issues Task Force). The amendments in ASU 2016-15 address eight specific cash flow issues and apply to all entities that are required to present a statement of cash flows under FASB Accounting Standards Codification (FASB ASC) 230, Statement of Cash Flows. The amendments in ASU 2016-15 are effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted, including adoption during an interim period. Management has not yet adopted this update and is currently evaluating the impact of ASU No. 2016-15 on its financial statements.

12. Subsequent Events

In preparing these financial statements, the Fund has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. The Fund has determined there are no subsequent events that would need to be disclosed in the Fund’s financial statements.

Report of Independent Registered Accounting Firm

To the Shareholders and Board of Trustees of DoubleLine Income Solutions Fund:

We have audited the accompanying statement of assets and liabilities of DoubleLine Income Solutions Fund (the "Fund"), including the schedule of investments, as of September 30, 2016, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, 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. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of September 30, 2016, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of DoubleLine Income Solutions Fund as of September 30, 2016, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Costa Mesa, California
November 22, 2016

Federal Tax Information

For the fiscal year ended September 30, 2016, certain dividends paid by the Fund may be subject to a maximum tax rate of 15%, (20% for taxpayers with taxable income greater than \$400,000 for single individuals and \$450,000 for married couples filing jointly), as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003 and the American Taxpayer Relief Act of 2012. The percentage of dividends declared from ordinary income designated as qualified dividend income was as follows:

Qualified Dividend Income

0.00%

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended September 30, 2016, was as follows:

Dividends Received Deduction

0.00%

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871(k)(2)(c) for the fiscal year ended September 30, 2016, was as follows:

Qualified Short-term Gains

0.00%

The percentage of taxable ordinary income distributions that are designated as interest related dividends under Internal Revenue Section 871(k)(1)(C) for the fiscal year ended September 30, 2016, was as follows:

Qualified Interest Income

75.47%

Shareholders are advised to consult their own tax adviser with respect to the tax consequences of their investment in the Fund.

Investments in Pools of Loans: The Fund may invest in pools of loans through mortgage- or other asset-backed securities, where a trust or other entity issues interests in the loans, some of which interests may be senior to others. Alternatively, the Fund may invest directly in pools of loans, itself or with other clients of the Adviser or their related parties. The Fund's direct investments in pools of loans present risks that may differ from the Fund's investments in mortgage- and other asset-backed securities. For example, if it were to invest directly in such a pool without any co-investors, the Fund would incur all losses incurred on the loans acquired in the pool. However, if the Fund were to invest in a senior tranche of a mortgage- or other asset-backed security, it might have a more limited exposure to losses on the loans. In connection with the Fund's direct purchase of certain loan portfolios, the Fund will incur costs, which may include the costs of various diligence-related services. The diligence-related services the Fund may require in connection with such investments may include, without limitation, loan file review, underwriting documentation review, and site visits. The Adviser would typically rely on information and analyses furnished as part of these diligence-related services in determining whether to invest in a particular loan portfolio. The costs associated with investments in a pool of loans may be significant and will reduce the performance contribution of such investments. The Fund may invest in pools of loans through collateralized debt obligations ("CDOs") and other structured products sponsored or managed by, or otherwise affiliated with, the Adviser or related parties of the Adviser. Such investments may include investments in debt or equity interests issued of the CDO or structured product as well as investments purchased on the secondary market, and the Fund may invest in any tranche of the CDO or structured product, including an equity tranche.

Original Issuance, Subordinated Tranche Investments: The Fund may invest in any level of the capital structure of an issuer of mortgage-backed or asset-backed securities, including the equity or "first loss" tranche. Senior tranche investments in mortgage-backed or asset-backed securities are paid from the cash flows from the underlying assets before the junior tranches and equity or "first loss" tranches. Any losses on the underlying assets are first borne by the equity tranches, next by less junior tranches, and finally by the senior tranches. Accordingly, subordinated tranche investments, and especially "first loss" tranches, involve greater risk of loss than more senior tranches. The subordinated tranches the Fund may buy include those rated below investment grade or unrated instruments of similar credit quality. Below investment grade bonds are high yield, high risk bonds, commonly known as junk bonds.

The Adviser may aggregate the Fund's order for an investment in, or sale of, an interest in a subordinated tranche, including investments at original issuance, with orders of one or more other DoubleLine funds or other DoubleLine accounts. Certain diligence-related or structuring costs and expenses will be allocated to all of the accounts, including the Fund, participating in the aggregated transaction pro rata based on the amount of investment made by each account participating in the transaction. The Fund's participation in any such aggregated transaction will be subject to a number of conditions intended to result in the fair and equitable treatment of each participating account, including the Fund. For example, the Fund will not incur diligence- or structuring-related expenses in connection with any such transaction in excess of 0.50% of the value of the Fund's investment in the structured product without the Fund's Board of Trustees review of those expenses. The Adviser may advance diligence- or structuring-related expenses relating to such transactions on behalf of the Fund and seek to receive reimbursement (without interest) of any such expenses advanced on behalf of the Fund at a later date.

Affiliated Investments: The Adviser is, and may be in the future, affiliated with certain large financial institutions ("affiliates") that hold interests in an entity that are of a different class or type than the class or type of interest held by the Fund. Conflicts may arise in cases where the Fund and affiliates invest in different parts of an issuer's capital structure, such as when an affiliate holds securities in an entity that are senior or junior to the securities held by the Fund, which could mean that the affiliate will be entitled to different payments or other rights, or that in a workout or other distressed scenario the interests of the affiliate might be adverse to those of the Fund and the affiliate and the Fund might have disparate investment outcomes. For example, an affiliate may acquire a loan, loan participation, or a loan assignment of a particular borrower in which one or more Funds have an equity investment. In negotiating the terms and conditions of any such investments, or any subsequent amendments or waivers, the Adviser may find that its own interests, the interests of an affiliate, and/or the interests of the Fund could conflict. The Adviser may seek to avoid such conflicts in certain circumstances when investing on behalf of its clients, including the Fund, and, as a result, the Adviser may choose not to make certain investments on behalf of the Fund and/or its other clients. Those foregone investment opportunities may adversely affect the Fund's performance if similarly attractive opportunities are not available or cannot be identified.

Stapled Securities: The Fund may invest in stapled securities, which are financial instruments comprised of two or more different instruments that are contractually bound to form a single salable unit; they cannot be bought or sold separately. Stapled securities may often include a share in a company and a unit in a trust related to that company. The resulting security is influenced by both parts, and must be treated as one unit at all times, such as when buying or selling a security. The value of stapled securities and the

income, if any, derived from them may fall as well as rise. The market for stapled securities may be illiquid at times, even for those securities that are listed on a domestic or foreign exchange.

Capital Controls: Capital controls are measures a nation's government can use to regulate capital entering and/or exiting a country and may include residency-based measures such as transaction taxes, limits or outright prohibitions on the transfer of currencies, securities or other assets. These measures may be economy-wide, sector-specific (usually the financial sector), or industry specific (for example, "strategic" industries). They may apply to all flows, or may differentiate by type or duration of the flow (debt, equity, direct investment; short-term vs. medium- and long-term). Types of capital controls include exchange controls that prevent or limit the buying and selling of a national currency at the market rate, caps on the allowed volume for the international sale or purchase of various financial assets, transaction taxes, minimum stay requirements, requirements for mandatory approval, or even limits on the amount of money a private citizen is allowed to remove from the country. The imposition of capital controls by a government of a country in which the Fund invests may significantly and adversely affect the values and liquidity of a Fund's investments in the affected jurisdiction and may prevent indefinitely the repatriation of a Fund's assets from the affected jurisdiction.

Name, Address, and Year of Birth ⁽¹⁾	Position with Fund	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios Overseen ⁽²⁾	Other Directorships Held by Trustee During Past 5 years
Independent Trustees					
Joseph J. Ciprari, 1964	Trustee	Class III (2019)*/Since Inception	President, Remo Consultants, a real estate financial consulting firm. Formerly, Managing Director, UBS AG. Formerly, Managing Director, Ally Securities LLC.	18	None
John C. Salter, 1957	Trustee	Class I (2017)*/Since Inception	Partner, Stark Municipal Brokers. Formerly, Managing Director, Municipals, Tullet Prebon Financial Services LLC (d/b/a Chapdelaine). Formerly, Partner, Stark, Salter & Smith, a securities brokerage firm specializing in tax exempt bonds.	18	None
Raymond B. Woolson, 1958	Trustee	Class II (2018)*/Since Inception	President, Apogee Group, Inc., a company providing financial consulting services.	18	Director, Advisors Series Trust ⁽³⁾

(1) The address of each Independent Trustee is c/o DoubleLine Capital LP, 333 South Grand Avenue, Suite 1800, Los Angeles, CA 90071.

(2) Includes each series of DoubleLine Funds Trust, DoubleLine Opportunistic Credit Fund and DoubleLine Income Solutions Fund.

(3) Quasar Distributors, LLC serves as the principal underwriter of DoubleLine Funds Trust and Advisors Series Trust.

* The common shareholders of the Fund are expected to vote to elect trustees of the relevant class at the annual shareholders meeting in the year indicated above.

The following Trustee is an “interested person” of the Fund as defined in the 1940 Act because he is an officer of the Adviser.

Name, Address, and Year of Birth ⁽¹⁾	Position with Fund	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios Overseen ⁽²⁾	Other Directorships Held by Trustee During Past 5 years
Interested Trustees					
Ronald R. Redell, 1970	Trustee, Chairman, President and Chief Executive Officer	Class II (2018)*/Since Inception	Trustee, Chairman, President and Chief Executive Officer, DoubleLine Income Solutions Fund (since January 2013); Executive, DoubleLine Group LP (since January 2013); Trustee, Chairman, President and Chief Executive Officer, DoubleLine Opportunistic Credit Fund (since July 2011); Executive, DoubleLine Capital (since July 2010); President, DoubleLine Funds Trust (since January 2010).	2	None

(1) The address of each Interested Trustee is c/o DoubleLine Capital LP, 333 South Grand Avenue, Suite 1800, Los Angeles, CA 90071.

(2) Includes DoubleLine Opportunistic Credit Fund.

* The common shareholders of the Fund are expected to vote to elect trustees of the relevant class at the annual shareholders meeting in the year indicated above.

Officers

The officers of the Fund who are not also Trustees of the Fund are:

Name, Address, and Year of Birth ⁽¹⁾	Position(s) Held with Fund	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years
Susan Nichols, 1962	Treasurer and Principal Financial and Accounting Officer	Indefinite/Since Inception	Treasurer and Principal Financial and Accounting Officer, DoubleLine Income Solutions Fund (since January 2013); Treasurer and Principal Financial and Accounting Officer, DoubleLine Funds Trust (since October 2011); Treasurer and Principal Financial and Accounting Officer, DoubleLine Opportunistic Credit Fund (since July 2011); Director of Mutual Funds Operations, DoubleLine Capital. Formerly, Southern Wholesaler, DoubleLine Capital. Formerly, Assistant Treasurer, DoubleLine Funds Trust.
Keith T. Kirk, 1963	Chief Compliance Officer	Indefinite/Since Inception	Chief Compliance Officer, DoubleLine Income Solutions Fund (since January 2013); Chief Compliance Officer, DoubleLine Funds Trust (since May 2012); Chief Compliance Officer, DoubleLine Opportunistic Credit Fund (since May 2012); Deputy General Counsel and Chief Compliance Officer, DoubleLine Capital (since January 2012). Formerly, Independent Compliance Consultant (from September 2009 through December 2011).
Louis C. Lucido, 1948	Secretary	Indefinite/Since Inception	Member of the Board of Directors, 826LA (since June 2013); Member of the Board of Directors, Junior Achievement of Southern California (since June 2013); Member of the Board of Directors, CASA of Los Angeles (since February 2013) and Chairman (since June 2016); Secretary, DoubleLine Income Solutions Fund (since January 2013); Secretary, DoubleLine Opportunistic Credit Fund (since July 2011); Chief Operating Officer, DoubleLine Capital (since June 2010); Secretary, DoubleLine Funds Trust (since January 2010); Formerly, Executive Vice President, DoubleLine Capital (from December 2009 through May 2010). Formerly, Vice Chairman, CASA of Los Angeles (from June 2014 to June 2016).
Grace Walker, 1970	Assistant Treasurer	Indefinite/Since Inception	Assistant Treasurer, DoubleLine Income Solutions Fund (since January 2013); Assistant Treasurer, DoubleLine Opportunistic Credit Fund (since March 2012); Assistant Treasurer, DoubleLine Funds Trust (since March 2012). Formerly, Assistant Treasurer of the private funds of Western Asset Management Company (from December 2004 through March 2012).
Earl A. Lariscy, 1966	Vice President and Assistant Secretary	Indefinite/Since Inception	Vice President and Assistant Secretary, DoubleLine Income Solutions Fund (since January 2013); Vice President, DoubleLine Funds Trust (since May 2012); Vice President and Assistant Secretary, DoubleLine Opportunistic Credit Fund (since May 2012 and inception, respectively); General Counsel, DoubleLine Capital (since April 2010).
Cris Santa Ana, 1965	Vice President	Indefinite/Since Inception	Vice President, DoubleLine Income Solutions Fund (since January 2013); Vice President, DoubleLine Opportunistic Credit Fund (since July 2011); Vice President, DoubleLine Funds Trust (since April 2011); Chief Risk Officer, DoubleLine Capital (since June 2010). Formerly, Chief Operating Officer, DoubleLine Capital (from December 2009 through May 2010).
David Kennedy, 1964	Vice President	Indefinite/Since Inception	Vice President, DoubleLine Income Solutions Fund (since January 2013); Vice President, DoubleLine Funds Trust (since May 2012); Vice President, DoubleLine Opportunistic Credit Fund (since May 2012); Manager, Trading and Settlements, DoubleLine Capital (since December 2009).
Jeffrey J. Sherman, 1977	Vice President	Indefinite/Since Inception	Deputy Chief Investment Officer, DoubleLine (since June 2016); President, DoubleLine Commodity (since April 2015); Vice President, DoubleLine Income Solutions Fund (since January 2013); Vice President, DoubleLine Opportunistic Credit Fund (since July 2011); Portfolio Manager, DoubleLine (since September 2010); Fixed Income Asset Allocation, DoubleLine Capital (since December 2009).
Patrick A. Townzen, 1978	Vice President	Indefinite/Since Inception	Vice President, DoubleLine Income Solutions Fund (since January 2013); Vice President, DoubleLine Funds Trust (since September 2012); Vice President, DoubleLine Opportunistic Credit Fund (since September 2012); Manager of Operations, DoubleLine Capital (since September 2012). Formerly, Manager, Western Asset Management Company.

(1) The address of each officer is c/o DoubleLine Capital LP, 333 South Grand Avenue, Suite 1800, Los Angeles, CA 90071. Additional information about the Management of the Fund is available, without charge, upon request, by calling 877-DLine11 (877-354-6311).

Information About Proxy Voting

Information about how the Fund voted proxies relating to portfolio securities held during the most recent twelve month period ended June 30th is available no later than the following August 31st without charge, upon request, by calling 877-DLine11 (877-354-6311) and on the Securities and Exchange Commission's (the "SEC") website at www.sec.gov.

A description of the Fund's proxy voting policies and procedures is available (i) without charge, upon request, by calling 877-DLine11 (877-354-6311); and (ii) on the commission's website at www.sec.gov.

Information About Portfolio Holdings

The Fund intends to disclose its portfolio holdings on a quarterly basis by posting the holdings on the Fund's website. The disclosure will be made by posting the Annual, Semi-Annual and Form N-Q regulatory filings on the Fund's website.

The Fund is required to file its complete schedule of portfolio holdings with the SEC for its first and third fiscal quarters on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. You can also review and obtain copies of the Forms N-Q at the SEC's Public Reference Room in Washington, DC (information on the operation of Public Reference Room may be obtained by calling 1-800-SEC-0330).

Householding — Important Notice Regarding Delivery of Shareholder Documents

In an effort to conserve resources, the Fund intends to reduce the number of duplicate Annual and Semi-Annual Reports you receive by sending only one copy of each to addresses where we reasonably believe two or more accounts are from the same family. If you would like to discontinue householding of your accounts, please call toll-free 877-DLine11 (877-354-6311) to request individual copies of these documents. We will begin sending individual copies thirty days after receiving your request to stop householding.

Fund Certification

The Fund is listed for trading on the NYSE and has filed with the NYSE its annual chief executive officer certification regarding compliance with the NYSE's listing standards. The Fund filed with the SEC the certification of its chief executive officer and principal financial officer required by section 302 of the Sarbanes-Oxley Act.

Proxy Results

The Annual Meeting of Shareholders was held on February 26, 2016 for shareholders of record as of the close of business on December 18, 2015 to re-elect Joseph J. Ciprari, a Class III trustee nominee, for the Fund. The nominee was elected with 81,830,007 affirmative votes and 3,312,786 votes withheld. For the Fund, Trustees whose terms of office continued after the Annual Meeting of Shareholders because they were not up for re-election are John C. Salter, Raymond B. Woolson and Ronald R. Redell.

Unless the registered owner of Common Shares elects to receive cash by contacting U.S. Bancorp Fund Services, LLC (the "Plan Administrator"), all dividends, capital gains and returns of capital, if any, declared on Common Shares will be automatically reinvested by the Plan Administrator for shareholders in the Fund's Automatic Dividend Reinvestment Plan (the "Plan"), in additional Common Shares. Common Shareholders who elect not to participate in the Plan will receive all dividends and other distributions payable in cash directly to the shareholder of record (or, if the Common Shares are held in street or other nominee name, then to such nominee) by the Plan Administrator as dividend disbursing agent. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by providing notice in writing to the Plan Administrator at least 5 days prior to the dividend/distribution record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

Whenever the Fund declares an income dividend, a capital gain distribution or other distribution (collectively referred to as "dividends") payable either in shares or cash, non-participants in the Plan will receive cash and participants in the Plan will receive a number of Common Shares, determined in accordance with the following provisions. The Common Shares will be acquired by the Plan Administrator for the participants' accounts, depending upon the circumstances described below, either (i) through receipt of additional unissued but authorized Common Shares from the Fund ("Newly Issued Common Shares") or (ii) by purchase of outstanding Common Shares on the open market ("Open-Market Purchases") on the New York Stock Exchange or elsewhere. If, on the payment date for any Dividend, the market price per Common Share plus estimated brokerage trading fees is equal to or greater than the NAV per Common Share (such condition is referred to here as "market premium"), the Plan Administrator shall receive Newly Issued Common Shares, including fractions of shares from the Fund for each Plan participant's account. The number of Newly Issued Common Shares to be credited to each participant's account will be determined by dividing the dollar amount of the Dividend by the NAV per Common Share on the date of issuance; provided that, if the NAV per Common Share is less than or equal to 95% of the current market value on the date of issuance, the dollar amount of the Dividend will be divided by 95% of the market price per Common Share on the date of issuance for purposes of determining the number of shares issuable under the Plan. If, on the payment date for any Dividend, the NAV per Common Share is greater than the market value plus estimated brokerage trading fees (such condition being referred to here as a "market discount"), the Plan Administrator will seek to invest the Dividend amount in Common Shares acquired on behalf of the participants in Open-Market Purchases.

In the event of a market discount on the payment date for any Dividend, the Plan Administrator will have until the last business day before the next date on which the Common Shares trade on an "ex-dividend" basis or in no event more than 30 days after the record date for such Dividend, whichever is sooner (the "Last Purchase Date"), to invest the Dividend amount in Common Shares acquired in Open-Market Purchases. It is contemplated that the Fund will pay monthly Dividends. If, before the Plan Administrator has completed its Open-Market Purchases, the market price per Common Share exceeds the NAV per Common Share, the average per Common Share purchase price paid by the Plan Administrator may exceed the NAV of the Common Shares, resulting in the acquisition of fewer Common Shares than if the Dividend had been paid in Newly Issued Common Shares on the Dividend payment date. If the Plan Administrator is unable to invest the full Dividend amount in Open-Market Purchases during the purchase period or if the market discount shifts to a market premium during the purchase period, the Plan Administrator may cease making Open-Market Purchases and may instead receive the Newly Issued Common Shares from the Fund for each participant's account, in respect of the uninvested portion of the Dividend, at the NAV per Common Share at the close of business on the Last Purchase Date provided that, if the NAV is less than or equal to 95% of the then current market price per Common Share, the dollar amount of the Dividend will be divided by 95% of the market price on the date of issuance for purposes of determining the number of shares issuable under the Plan.

The Plan Administrator maintains all registered shareholders' accounts in the Plan and furnishes written confirmation of all transactions in the accounts, including information needed by shareholders for tax records. Common Shares in the account of each Plan participant will be held by the Plan Administrator in non-certificated form in the name of the Plan participant, and each shareholder proxy will include those shares purchased or received pursuant to the Plan. The Plan Administrator will forward all proxy solicitation materials to participants and vote proxies for shares held under the Plan in accordance with the instructions of the participants.

In the case of Common Shares owned by a beneficial owner but registered with the Plan Administrator in the name of a nominee, such as a bank, a broker or other financial intermediary (each, a "Nominee"), the Plan Administrator will administer the Plan on the basis of the number of Common Shares certified from time to time by the Nominee as participating in the Plan. The Plan Administrator will not take instructions or elections from a beneficial owner whose Common Shares are registered with the Plan Administrator in the name of a Nominee. If a beneficial owner's Common Shares are held through a Nominee and are not registered with the Plan Administrator as participating in the Plan, neither the beneficial owner nor the Nominee will be participants in or have distributions reinvested under the Plan with respect to those Common Shares. If a beneficial owner of

Common Shares held in the name of a Nominee wishes to participate in the Plan, and the Shareholder's Nominee is unable or unwilling to become a registered shareholder and a Plan participant with respect to those Common Shares on the beneficial owner's behalf, the beneficial owner may request that the Nominee arrange to have all or a portion of his or her Common Shares registered with the Plan Administrator in the beneficial owner's name so that the beneficial owner may be enrolled as a participant in the Plan with respect to those Common Shares. Please contact your Nominee for details or for other possible alternatives. Participants whose shares are registered with the Plan Administrator in the name of one Nominee may not be able to transfer the shares to another firm or Nominee and continue to participate in the Plan.

There will be no brokerage charges with respect to Common Shares issued directly by the Fund as a result of dividends payable either in Common Shares or in cash. However, each participant will pay a pro rata share of brokerage trading fees incurred in connection with Open-Market Purchases. The automatic reinvestment of Dividends will not relieve participants of any federal, state or local income tax that may be payable (or required to be withheld) on such Dividends. Participants that request a sale of Common Shares through the Plan Administrator are subject to brokerage commissions.

The Fund reserves the right to amend or terminate the Plan. There is no direct service charge to participants with regard to purchases in the Plan; however, the Fund reserves the right to amend the Plan to include a service charge payable by the participants.

All correspondence, questions, or requests for additional information concerning the Plan should be directed to the Plan Administrator by calling toll-free (877) DLine11 (877-354-6311) or by writing to U.S. Bancorp Fund Services, LLC at P.O. Box 701, Milwaukee, WI 53201. Be sure to include your name, address, daytime phone number, Social Security or tax I.D. number and a reference to DoubleLine Income Solutions Fund on all correspondence.

What Does DoubleLine Do With Your Personal Information?

Financial companies choose how they share your personal information. This notice provides information about how we collect, share, and protect your personal information, and how you might choose to limit our ability to share certain information about you. Please read this notice carefully.

All financial companies need to share customers' personal information to run their everyday businesses. Accordingly, information, confidential and proprietary, plays an important role in the success of our business. However, we recognize that you have entrusted us with your personal and financial data, and we recognize our obligation to keep this information secure. Maintaining your privacy is important to us, and we hold ourselves to a high standard in its safekeeping and use. Most importantly, DoubleLine does not sell its customers' non-public personal information to any third parties. DoubleLine uses its customers' non-public personal information primarily to complete financial transactions that its customers request or to make its customers aware of other financial products and services offered by a DoubleLine affiliated company.

DoubleLine may collect non-public information about you from the following sources:

- Information we receive about you on applications or other forms;
- Information you may give us orally;
- Information about your transactions with us or others;
- Information you submit to us in correspondence, including emails or other electronic communications; and
- Information about any bank account you use for transfers between your bank account and any Fund account, including information provided when effecting wire transfers.

The types of personal information DoubleLine collects and shares depend on the product or service you have with us. This information may include:

- Social Security Number;
- account balances;
- transaction or loss history;
- assets;
- investment experience;
- account transactions;
- risk tolerance.

DoubleLine does not disclose any non-public personal information about our customers or former customers without the customer's authorization, except that we may disclose the information listed above, as follows:

- to provide information to nonaffiliated third parties in connection with our performance of the services we have agreed to provide you. For example, it might be necessary to do so in order to process transactions and maintain accounts.
- DoubleLine will release any of the non-public information listed above about a customer if directed to do so by that customer or if DoubleLine is authorized by law to do so, such as in the case of a court order, legal investigation, or other properly executed governmental request.
- to alert a customer to other financial products and services offered by DoubleLine or an affiliate, DoubleLine may share information with an affiliate, including companies using the DoubleLine name. Such products and services may include, for example, other investment products offered by a DoubleLine company. If you prefer that we not disclose non-public personal information about you to our affiliates for this purpose, you may direct us not to make such disclosures (other than disclosures permitted by law) by calling 877-DLine11 (877-354-6311). If you limit this sharing and you have a joint account, your decision will be applied to all owners of the account.

We have procedures designed to limit access to your personal account information to those agents and vendors who need to know that information to provide products and services to you. Your information is not provided by us to nonaffiliated third parties for marketing purposes. We seek to maintain physical, electronic, and procedural safeguards to guard your non-public personal information.

Information Collected from Websites. Websites maintained by DoubleLine or its service providers may use a variety of technologies to collect information that help DoubleLine and its service providers understand how the website is used. Information collected from your web browser (including small files stored on your device that are commonly referred to as "cookies") allow the websites to recognize your web browser and help to personalize and improve your user experience and enhance navigation of the website.

You can change your cookie preferences by changing the setting on your web browser to delete or reject cookies. If you delete or reject cookies, some website pages may not function properly. Certain portions of doublelinefunds.com are maintained or controlled by third parties, each of which has privacy policies which may differ, in some cases significantly, from the privacy policies described in this notice. Please contact your DoubleLine representative if you would like to receive more information about the privacy policies of third parties.

As required by federal law, DoubleLine will notify customers of DoubleLine's Privacy Policy annually. DoubleLine reserves the right to modify this policy at any time, but in the event that there is a change, DoubleLine will promptly inform its customers of that change.



Investment Adviser:

DoubleLine Capital LP
333 South Grand Avenue
18th Floor
Los Angeles, CA 90071

**Administrator and
Transfer Agent:**

U.S. Bancorp Fund Services, LLC
P.O. Box 701
Milwaukee, WI 53201

Custodian:

U.S. Bank, N.A.
1555 North River Center Drive
Suite 302
Milwaukee, WI 53212

**Independent Registered
Public Accounting Firm:**

Deloitte & Touche LLP
695 Town Center Drive
Suite 1200
Costa Mesa, CA 92626

Legal Counsel:

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, MA 02199

Contact Information:

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1-877-354-6311

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