

WESTERN ASSET HIGH INCOME FUND II INC.

Form N-14 8C/A

September 23, 2008

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON SEPTEMBER 23, 2008

SECURITIES ACT FILE NO. 333-151537

INVESTMENT COMPANY ACT FILE NO. 811-08709

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM N-14**

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

☐ Pre-Effective Amendment No. \_\_

☒ Post-Effective Amendment No. 1

**WESTERN ASSET HIGH INCOME**  
**FUND II INC.**

(Exact Name of Registrant as Specified in Charter)

55 Water Street

New York, New York 10041

(Address of Principal Executive Offices: Number, Street, City, State, Zip Code)

1-888-777-1012

(Area Code and Telephone Number)

**R. Jay Gerken**

**Legg Mason & Co., LLC**

**620 Eighth Avenue, 49th Floor**

**New York, New York 10018**

(Name and Address of Agent for Services)

*with copies to:*

**Sarah E. Cogan, Esq.  
Simpson Thacher & Bartlett LLP  
425 Lexington Avenue  
New York, New York 10017**

**Robert I. Frenkel, Esq.  
Legg Mason & Co., LLC  
300 First Stamford Place  
Stamford, Connecticut 06902**

**Calculation of Registration Fee under the Securities Act of 1933:**

| <b>Title of Securities Being Registered</b> | <b>Amount<br/>Being<br/>Registered<sup>(1)</sup></b> | <b>Proposed Maximum<br/>Offering Price<br/>per Unit<sup>(1)</sup></b> | <b>Proposed Maximum<br/>Aggregate<br/>Offering Price<sup>(1)</sup></b> | <b>Amount of<br/>Registration Fee</b> |
|---------------------------------------------|------------------------------------------------------|-----------------------------------------------------------------------|------------------------------------------------------------------------|---------------------------------------|
| Common Stock (\$.001 par value)             | 4,700,000                                            | \$ 10.72                                                              | \$ 50,384,000                                                          | \$ 1,980.09 <sup>(2)</sup>            |

(1) Estimated solely for the purpose of calculating the registration fee.

(2) Previously paid.

**EXPLANATORY NOTE**

The proxy statement/prospectus and statement of additional information of the Registrant are incorporated by reference to the Registrant's filing of Pre-Effective Amendment No. 1 to its Registration Statement on Form N-14 on July 18, 2008.

**PART C**

**OTHER INFORMATION**

**Item 15. Indemnification**

Reference is made to Article VII of the Registrant's Articles of Incorporation and Article VI of the Registrant's By-Laws.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended (the "Securities Act") may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant understands that in the opinion of the Securities and Exchange Commission (the "Commission") such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The Registrant is named on a Directors & Officers Insurance Policy which covers all present and future directors and officers of the Registrant against loss arising from any civil claim or claims by reason of any actual or alleged error, misstatement, misleading statement, negligent act or omission, or neglect or breach of duty committed while acting as directors or officers of the Registrant.

**Item 16. Exhibits**

| <b>Exhibit No.</b> | <b>Exhibit</b>                                                                                                                                                                                                                                                          |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1(a)               | Articles of Incorporation (filed as Exhibit A to Registration Statement on Form N-2 (File Nos. 333-48351 and 811-08709) as filed with the Commission on March 20, 1998 and incorporated herein by reference).                                                           |
| 1(b)               | Articles of Amendment (filed as Exhibit A(2) to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File Nos. 333-48351 and 811-08709) as filed with the Commission on April 29, 1998 and incorporated herein by reference).                       |
| 1(c)               | Amended and Restated Articles of Incorporation (filed as Exhibit 2(A) to Pre-Effective Amendment No. 2 to the Registration Statement on Form N-2 (File No. 333-48351 and 811-08709) as filed with the Commission on May 21, 1998 and incorporated herein by reference). |
| 1(d)               | Articles of Amendment, dated September 20, 2006 (filed as Exhibit 99 to NSAR-B as filed with the Commission on June 29, 2007 and incorporated herein by reference).                                                                                                     |
| 2(a)               | By-laws (filed as Exhibit B to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-48351 and 811-08709) as filed with the Commission on April 29, 1998 and incorporated herein by reference).                                         |
| 2(b)               | Amended and Restated By-laws (filed as Exhibit 2(B) to Pre-Effective Amendment No. 2 to the Registration Statement on Form N-2 (File No. 333-48351 and 811-08709) as filed with the Commission on May 21, 1998 and incorporated herein by reference).                   |
| 2(c)               | Amended and Restated By-laws, as of September 2003 (filed as Exhibit No. 2(C) to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on June 9, 2008 and incorporated herein by reference).                        |
| 3                  | Not applicable.                                                                                                                                                                                                                                                         |
| 4                  | Form of Agreement and Plan of Reorganization is included in Part A of the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on July 18, 2008 and incorporated herein by reference.                                   |

| Exhibit No. | Exhibit                                                                                                                                                                                                                                                                                                                                           |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5           | Not applicable.                                                                                                                                                                                                                                                                                                                                   |
| 6(a)        | Management Agreement between Registrant and Legg Mason Partners Fund Advisor, LLC, dated August 1, 2006 (filed as an exhibit to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on June 9, 2008 and incorporated herein by reference).                                                   |
| 6(b)        | Subadvisory Agreement between Legg Mason Partners Fund Advisor, LLC and Western Asset Management Company with respect to Registrant, dated August 1, 2006 (filed as an exhibit to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on June 9, 2008 and incorporated herein by reference). |
| 7           | Not applicable.                                                                                                                                                                                                                                                                                                                                   |
| 8           | Not applicable                                                                                                                                                                                                                                                                                                                                    |
| 9           | Custodian Services Agreement with State Street Bank and Trust Company, dated January 1, 2007 (filed as an exhibit to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on June 9, 2008 and incorporated herein by reference).                                                              |
| 10          | Not applicable.                                                                                                                                                                                                                                                                                                                                   |
| 11          | Opinion of DLA Piper US LLP as to the legality of the securities being registered (filed as an exhibit to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on June 9, 2008 and incorporated herein by reference).                                                                         |
| 12          | Opinion of Simpson Thacher & Bartlett LLP supporting tax matters and consequences to shareholders discussed in the Proxy Statement/Prospectus (filed herewith).                                                                                                                                                                                   |
| 13          | Not applicable.                                                                                                                                                                                                                                                                                                                                   |
| 14          | Consent of Independent Registered Public Accounting Firm (filed as an exhibit to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on July 18, 2008 and incorporated herein by reference).                                                                                                 |
| 15          | Not applicable.                                                                                                                                                                                                                                                                                                                                   |
| 16          | Power of Attorney (filed as an exhibit to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on June 9, 2008 and incorporated herein by reference).                                                                                                                                         |
| 17(a)       | Form of proxy card for common stock shareholders (filed as an exhibit to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on June 9, 2008 and incorporated herein by reference).                                                                                                          |
| 17(b)       | Form of proxy card for preferred stock shareholders (filed as an exhibit to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on June 9, 2008 and incorporated herein by reference).                                                                                                       |
| 17(c)       | Code of Ethics (filed as an exhibit to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on June 9, 2008 and incorporated herein by reference).                                                                                                                                            |
| 17(d)       | Transfer Agency and Services Agreement with American Stock Transfer, Inc., dated March 20, 2006 (filed as an exhibit to the Registration Statement on Form N-14 (File Nos. 333-15137 and 811-08709) as filed with the Commission on June 9, 2008 and incorporated herein by reference).                                                           |

**Item 17. Undertakings.**

(1) The undersigned registrant agrees that prior to any public reoffering of the securities registered through the use of a prospectus which is a part of this registration statement by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c) of the Securities Act [17 CFR 230.145c], the reoffering prospectus will contain the information called for by the applicable registration form for reofferings by persons who may be deemed underwriters, in addition to the information called for by the other terms of the applicable form.

(2) The undersigned registrant agrees that every prospectus that is filed under paragraph (1) above will be filed as a part of an amendment to the registration statement and will not be used until the amendment is effective, and that, in determining any liability under the Securities Act, each post-effective amendment shall be deemed to be a new registration statement for the securities offered therein, and the offering of the securities at that time shall be deemed to be the initial bona fide offering of them.

**SIGNATURES**

As required by the Securities Act of 1933, as amended, this Post-Effective Amendment No. 1 to the Registration Statement has been signed on behalf of the Registrant, in the City of New York and State of New York, on the 23rd day of September 2008.

WESTERN ASSET HIGH INCOME FUND II INC.

By: /s/ R. Jay Gerken  
R. Jay Gerken  
Chairman, Chief Executive Officer and President

As required by the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

| Signature                                           | Title                                                                                             | Date               |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------|--------------------|
| /s/ R. Jay Gerken*<br>R. Jay Gerken                 | Chairman, Chief Executive Officer, President<br>and Director<br><br>(Principal Executive Officer) | September 23, 2008 |
| /s/ Kaprel Ozsolak*<br>Kaprel Ozsolak               | Treasurer and Chief Financial Officer (Principal<br>Financial and Accounting Officer)             | September 23, 2008 |
| /s/ Carol L. Colman*<br>Carol L. Colman             | Director                                                                                          | September 23, 2008 |
| /s/ Daniel P. Cronin*<br>Daniel P. Cronin           | Director                                                                                          | September 23, 2008 |
| /s/ Paolo M. Cucchi*<br>Paolo M. Cucchi             | Director                                                                                          | September 23, 2008 |
| /s/ Leslie H. Gelb*<br>Leslie H. Gelb               | Director                                                                                          | September 23, 2008 |
| /s/ William R. Hutchinson*<br>William R. Hutchinson | Director                                                                                          | September 23, 2008 |
| /s/ Dr. Riordan Roett*<br>Dr. Riordan Roett         | Director                                                                                          | September 23, 2008 |
| /s/ Jeswald W. Salacuse*<br>Jeswald W. Salacuse     | Director                                                                                          | September 23, 2008 |

\*By: /s/ R. Jay Gerken  
R. Jay Gerken,  
Attorney-in-Fact

**Exhibit No.**

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**Exhibit**

Opinion of Simpson Thacher & Bartlett LLP supporting tax matters and consequences to shareholders discussed in the Proxy Statement/Prospectus.