

PIMCO Income Strategy Fund II  
 Form 3  
 January 28, 2011

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0104  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

|  |         |                                      |  |  |
|--|---------|--------------------------------------|--|--|
| 1. Name and Address of Reporting Person *                        |         | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol                            |  |
| Â Brigade Leveraged Capital Structures Fund Ltd.                 |         | (Month/Day/Year)                     | PIMCO Income Strategy Fund II [PFN]                                    |  |
| (Last)   | (First) | 10/19/2010                           |  |  |
|  |         |                                      | 4. Relationship of Reporting Person(s) to Issuer                       | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| C/O OGIER FIDUCIARY SVCS (CAYMAN) LTD,Â 89 NEXUS WAY, CAMANA BAY |         |                                      | (Check all applicable)   |  |
| (Street)   |         |                                      | <input type="checkbox"/> Director                                      | <input checked="" type="checkbox"/> 10% Owner        |
|  |         |                                      | <input type="checkbox"/> Officer                                       | <input type="checkbox"/> Other                       |
|  |         |                                      | (give title below) (specify below)                                     |  |
| GRAND CAYMAN,Â E9Â KY1-9007                                      |         |                                      | 6. Individual or Joint/Group Filing(Check Applicable Line)             |  |
| (City)   | (State) | (Zip)                                | <input checked="" type="checkbox"/> Form filed by One Reporting Person |  |
|  |         |                                      | <input type="checkbox"/> Form filed by More than One Reporting Person  |  |

**Table I - Non-Derivative Securities Beneficially Owned**

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
| Auction-Rate Preferred Shares   | 817 <sup>(1)</sup>                                    | D  | Â   |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security | 4. Conversion or Exercise | 5. Ownership Form of | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|--|---------------------------|----------------------|---|
|--|--|--|---------------------------|----------------------|---|

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| Date Exercisable | Expiration Date | (Instr. 4)<br>Title | Amount or Number of Shares | Price of Derivative Security | Derivative Security: Direct (D) or Indirect (I)<br>(Instr. 5) |
|------------------|-----------------|---------------------|----------------------------|------------------------------|---|
|------------------|-----------------|---------------------|----------------------------|------------------------------|---|

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| Brigade Leveraged Capital Structures Fund Ltd.<br>C/O OGIER FIDUCIARY SVCS (CAYMAN) LTD<br>89 NEXUS WAY, CAMANA BAY<br>GRAND CAYMAN, KY1-9007 | ^             | ^ X       | ^       | ^     |

## Signatures

Brigade Leveraged Capital  
Structures Fund Ltd., By: /s/ Donald E. Morgan, III, Director  
01/28/2011

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Consistent with the Securities and Exchange Commission's Auction Rate Securities Global Exemptive Relief no action letter issued on (1) September 22, 2008, the shares reported herein represent the reporting person's combined holdings in the separate series of auction rate preferred shares of the issuer.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.