

**ATTENTION: IMPORTANT TAX INFORMATION!**  
**2002 DISTRIBUTION BREAKDOWN**  
**8.00% Cumulative Preferred Stock**

To All Shareholders:

Set forth below is the allocation of net investment income, short-term capital gains and long-term capital gains for the 2002 distributions of the 8.00% Cumulative Preferred Stock of **The Gabelli Convertible & Income Securities Fund**

If there are any questions, please contact Peter Latartara at (914) 921-5070.

		<b>\$ PER SHARE</b>				
		1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
	Record Date	03/19/02	06/19/02	09/19/02	12/18/02	
	Payment Date	03/26/02	06/26/02	09/26/02	12/26/02	
<u>SOURCE</u>						
	Net Investment Income (a)	\$0.5000	\$0.5000	\$0.5000	\$0.5000	\$2.0000
	Short-Term Capital Gains (a)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	Long-Term Capital Gains (b)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	<b>TOTAL</b>	<b>\$0.5000</b>	<b>\$0.5000</b>	<b>\$0.5000</b>	<b>\$0.5000</b>	<b>\$2.0000</b>

		<b>PERCENTAGES</b>				
		1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
	Net Investment Income (a)	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%
	Short-Term Capital Gains (a)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	Long-Term Capital Gains (b)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	<b>TOTAL</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>

0.00% of the long-term capital gains paid by the Gabelli Convertible Securities Fund in 2002 was classified as "20% Rate Gains" subject to a maximum tax rate of 20% (or 10% depending on an individual's tax bracket). Capital gain distributions are reported in box 2a of Form 1099-DIV. 0.00% of the long-term capital gains paid by the Gabelli Convertible Securities Fund in 2002 was classified as "Qualified 5-Year Gains" reported in box 2c of Form 1099-DIV.

Corporate Dividends Received Deduction and U.S. Government Securities Income:

The percentage of the ordinary income paid by the Gabelli Convertible & Income Securities Fund in 2002 that qualifies for the dividends received deduction available to corporations is 31.63%. The percentage of the ordinary income paid by the Gabelli Convertible & Income Securities Fund in 2002 that was derived from U.S. Government Securities was 11.51%. The percentage of U.S. Government Securities held as of December 31, 2002 was 42.32%.(c)

- (a) Distributions from net investment income and short-term capital gains are taxable as ordinary income and will appear on your Form 1099-DIV under Ordinary Dividends.
- (b) Taxable as long-term capital gains reportable in column (f), line 13 on Form 1040, Schedule D. Since there were no retained capital gains in 2002, Form 2439 will not be necessary.
- (c) Certain states require that 50% of the Fund's portfolio be invested in U.S. Government Securities at the end of each calendar quarter to allow "pass-through" treatment of income derived from U.S. Government Securities. The Fund did not meet this strict requirement in 2002.