

HERZFELD CARIBBEAN BASIN FUND INC
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PROSPECTUS SUPPLEMENT
(To Prospectus dated June 11, 2015)

THE HERZFELD CARIBBEAN BASIN FUND, INC.

\$17,900,000

Common Stock

We are a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940, or the “1940 Act.” Our investment adviser is HERZFELD/CUBA, a division of Thomas J. Herzfeld Advisors, Inc., or the “Adviser.” Our investment objective is long-term capital appreciation. To achieve our objective, we invest in issuers that are likely, in the Adviser’s view, to benefit from economic, political, structural and technological developments in the countries in the Caribbean Basin, which include, among others, Cuba, Jamaica, Trinidad and Tobago, the Bahamas, the Dominican Republic, Barbados, Aruba, Haiti, the former Netherlands Antilles, the Commonwealth of Puerto Rico, Mexico, Honduras, Guatemala, Belize, Costa Rica, Panama, Colombia, the United States and Venezuela, or the “Caribbean Basin Countries.” We invest at least 80% of our total assets in equity and equity-linked securities of issuers, including U.S.-based companies which engage in substantial trade with, and derive substantial revenue from, operations in the Caribbean Basin Countries. The Fund may invest more than 25% of its total assets in the securities of U.S.-based companies, which constituted approximately 54% of the Fund’s total assets as of June 30, 2015. Total assets includes the amount of any borrowings for investment purposes. For additional information, see “Investment Objective and Policies” in the accompanying prospectus. Equity and equity-linked securities include, but are not limited to, common stock, preferred stock, debt securities convertible into equity, warrants, options and futures. An investment in the Fund is not appropriate for all investors and should not constitute a complete investment program. No assurances can be given that our investment objective will be achieved.

We have entered into an equity distribution agreement, dated September 10, 2015, with Ladenburg Thalmann & Co. Inc. relating to the shares of common stock offered by this prospectus supplement and the accompanying prospectus.

The equity distribution agreement provides that we may offer and sell shares of our common stock having an aggregate offering price of up to \$17,900,000 from time to time through Ladenburg Thalmann & Co. Inc., as our sales agent. Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be “at the market,” as defined in Rule 415 under the Securities Act of 1933, as amended, or the “Securities Act,” including sales made directly on the Nasdaq Capital Market or similar securities exchange or sales made to or through a market maker other than on an exchange, at prices related to the prevailing market prices or at negotiated prices.

Ladenburg Thalmann & Co. Inc. will receive a commission from us equal to 2.0% of the gross sales price of any shares of our common stock sold through Ladenburg Thalmann & Co. Inc. under the equity distribution agreement, in addition to reimbursement by us of certain expenses Ladenburg Thalmann & Co. Inc. may incur. Ladenburg Thalmann & Co. Inc. is not required to sell any specific number of shares or dollar amount of common stock, but will use its commercially reasonable efforts consistent with its normal sales and trading practices to sell the shares of our common stock offered by this prospectus supplement and the accompanying prospectus. See “Plan of Distribution” in

this prospectus supplement. The sales price per share of our common stock offered by this prospectus supplement and the accompanying prospectus, less Ladenburg Thalmann & Co. Inc.'s commission, will not be less than the net asset value, or "NAV," per share of our common stock at the time of such sale, unless we have received the requisite approval from stockholders as required pursuant to the 1940 Act.

Under the terms of the equity distribution agreement, we also may sell shares to Ladenburg Thalmann & Co. Inc., as principal for its own account, at a price agreed upon at the time of sale. If we sell shares to Ladenburg Thalmann & Co. Inc. as principal, we will enter into a separate agreement with it setting forth the terms of such transaction, and we will describe the agreement in a separate prospectus supplement or pricing supplement.

Our common stock is traded on the NASDAQ Capital Market under the symbol "CUBA." On September 9, 2015, the last reported sales price on the NASDAQ Capital Market for our common stock was \$7.91 per share. We determine the NAV per share of our common stock no less frequently than monthly. Our NAV per share of our common stock as of September 9, 2015 was \$6.72 (unaudited) and our total net assets were \$37,629,782.71 (unaudited). As of September 9, 2015, there were 5,599,584 shares of our common stock outstanding.

As of September 9, 2015, the aggregate market value of the outstanding shares of our common stock held by non-affiliates was approximately \$53,733,994, which was calculated on the basis of 5,171,703 outstanding shares of our common stock held by non-affiliates (our "public float") as of such date and at a price of \$10.39 per share, the last reported sales price per share on the NASDAQ Capital Market on July 20, 2015 (which is the highest closing sale price per share for our common stock within the last 60 days). Pursuant to certain SEC rules, in no event will we sell our securities in any public primary offering or offerings with an aggregate market value exceeding one-third of our public float in any 12-month period so long as our public float remains below \$75.0 million. During the prior 12 calendar month period that ends on, and includes, the date of this prospectus supplement, we have offered and sold no securities pursuant to General Instruction I.B.6 to Form S-3, excluding the shares of our common stock offered by this prospectus supplement and the accompanying prospectus.

Please carefully read this prospectus supplement and the accompanying prospectus before investing in our common stock and keep each for future reference. This prospectus supplement and the accompanying prospectus set forth concisely important information about us that a prospective investor ought to know before investing in our securities. We are required to file with or submit to the U.S. Securities and Exchange Commission, or "SEC," annual, semi-annual and quarterly reports, proxy statements and other information about us. You may request copies of these reports and filings, including this prospectus supplement and accompanying prospectus, free of charge, make inquiries or request other information about us by contacting us by mail at 119 Washington Avenue, Suite 504 Miami Beach, FL 33139 or by telephone at (800) TJH-FUND (toll-free) or (305) 271-1900. Copies of these reports and filings are also available free of charge through our website at <http://herzfeld.com/cuba>. The SEC also maintains a website at <http://www.sec.gov> that contains this information. The inclusion of our website address above and elsewhere in this prospectus supplement and the accompanying prospectus is, in each case, intended to be an inactive textual reference only and not an active hyperlink to our website. The information contained in, or that can be accessed through, our website is not part of this prospectus supplement or the accompanying prospectus.

An investment in our common stock should be considered speculative and involves a high degree of risk, including the risk of a total loss of investment. Shares of closed-end investment companies frequently trade at a discount to their net asset value. See "Prospectus Supplement Summary—Summary Risk Factors" beginning on page S-3 of this prospectus supplement, "Supplemental Risk Factors" beginning on page S-9 of this prospectus supplement, "Prospectus Summary—Risk Factors and Special Considerations" beginning on page 2 of the accompanying prospectus and "Risk Factors and Special Considerations" beginning on page 15 of the accompanying prospectus to read about the risks you should carefully consider before investing in our common stock.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Ladenburg Thalmann

Prospectus Supplement dated September 10, 2015.

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ABOUT THIS PROSPECTUS SUPPLEMENT

We have filed with the SEC a registration statement on Form N-2 (Securities Act File No. 333-202213; Investment Company Act File No. 811-06445) utilizing a shelf registration process relating to the securities described in this prospectus supplement, which registration statement was declared effective on June 11, 2015. This document is in two parts. The first part is the prospectus supplement, which describes the terms of this offering of common stock and also adds to and updates information contained in the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information and disclosure. To the extent the information contained in this prospectus supplement differs from or is additional to the information contained in the accompanying prospectus, you should rely only on the information contained in this prospectus supplement. This prospectus supplement may add, update or change information contained in the accompanying prospectus. To the extent that any statement we make in this prospectus supplement is inconsistent with statements made in the accompanying prospectus or any previously filed documents incorporated by reference herein or therein, the statements made in this prospectus supplement will be deemed to modify or supersede those made in the accompanying prospectus and such documents incorporated by reference herein and therein. Please carefully read this prospectus supplement and the accompanying prospectus, including the sections entitled “Prospectus Supplement Summary—Summary Risk Factors” and “Supplemental Risk Factors” in this prospectus supplement and “Prospectus Summary—Risk Factors and Special Considerations” and “Risk Factors and Special Considerations” in the accompanying prospectus, together with the additional information described under the heading “Available Information” included in this prospectus before investing in our common stock.

Neither we nor Ladenburg Thalmann & Co. Inc. has authorized any dealer, salesperson, representative or other person to give any information or to make any representation other than those contained in this prospectus supplement or the accompanying prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or a solicitation of any offer to buy any security other than the registered securities to which they relate, nor do they constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction or to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

The information contained in this prospectus supplement and the accompanying prospectus is accurate as of the dates on their respective covers. Our financial condition, results of operations and prospects may have changed since those dates. To the extent required by law, we will amend or supplement the information contained in this prospectus supplement and the accompanying prospectus to reflect any material changes subsequent to the date of this prospectus supplement and the accompanying prospectus and prior to the completion of any offering pursuant to this prospectus supplement and the accompanying prospectus.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus contain forward-looking statements that involve substantial risks and uncertainties. All statements other than statements of historical facts included in this prospectus supplement and the accompanying prospectus that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements, including, without limitation, the statements about our plans, objectives, strategies and prospects regarding, among other things, our financial condition, results of operations and business. These forward-looking statements are based on current expectations, estimates and projections about our company, our current and prospective portfolio investments, our industry, our beliefs, and our assumptions. Words such as “anticipates,” “expects,” “intends,” “plans,” “predicts,” “will,” “may,” “continue,” “believes,” “seeks,” “estimates,” “would,” “could,” “should,” “targets,” “projects,” “continue,” “forecast,” “possible,” “potential,” “approximate” and other similar words and similar expressions, or the negatives of such words, are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

The forward-looking statements contained in this prospectus supplement and the accompanying prospectus involve risks and uncertainties, including statements as to:

- our future operating results;
- our business prospects and the prospects of the companies in which we invest;
- the impact of investments that we expect to make;
- our contractual arrangements and relationships with third parties;
- the dependence of our future success on the general economy and its impact on the markets and industries in which we invest;
- the ability of the Fund to achieve its objectives;
- our expected financing activities and investments;
- the adequacy of our cash resources and working capital; and
- the timing of cash flows, if any, from our investments.

These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, including without limitation:

- an economic downturn could impair the ability of the companies in which we invest to continue to operate, which could lead to the loss of some or all of our investment in such companies;
- the bankruptcy or liquidation of any of the companies in which we invest, which could lead to the loss of some or all of our investment in those companies;
- securities traded in foreign markets have often (though not always) performed differently from securities traded in the United States and often involve special risks not present in U.S. investments that can increase the chances that we will lose money;
- the risks associated with investments in emerging markets, including many Caribbean Basin Countries in which we invest, are usually much greater than those associated with other foreign or U.S. markets;
- we may invest from time to time a substantial amount of our assets in issuers located in a single country or a limited number of countries, which could increase the risk and/or volatility of our investment performance;
- an inability to access the equity markets could impair our investment activities;
 - currency fluctuations could adversely affect the results of our investments in foreign companies, particularly to the extent that we receive payments denominated in foreign currency rather than U.S. dollars; and
- the other risks, uncertainties and other factors we identify in “Prospectus Supplement Summary—Summary Risk Factors” and “Supplemental Risk Factors” in this prospectus supplement and “Prospectus Summary—Risk Factors and Special Considerations” and “Risk Factors and Special Considerations” in the accompanying prospectus and elsewhere in this prospectus supplement, the accompanying prospectus and in our filings with the SEC.

Although we believe that the assumptions on which these forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate. Important assumptions include our ability to originate new investments, certain margins and levels of profitability and the availability of additional capital. The forward-looking statements included in this prospectus supplement or the accompany prospectus may be affected by inaccurate assumptions we might make or by known or unknown risks and uncertainties. The factors identified in the list above, in “Prospectus Supplement Summary—Summary Risk Factors” and “Supplemental Risk Factors” in this prospectus supplement and in “Prospectus Summary—Risk Factors and Special Considerations” and “Risk Factors and Special Considerations” in the accompanying prospectus and elsewhere in this prospectus supplement and the accompanying prospectus are believed to be important factors, but not necessarily all of the important factors, that could cause our actual results to differ materially from those expressed in any forward-looking statement. Unpredictable or unknown factors could also have material adverse effects on us. Since our actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements, we cannot give you any assurance that any of the events anticipated by the forward-looking statements will occur or, if any of them do, what impact they will have on our results of operations and financial condition, and the inclusion of a projection or forward-looking statement in this prospectus supplement or the accompanying prospectus should not be regarded as a representation by us that our plans and objectives will be achieved.

All forward-looking statements included in this prospectus supplement or the accompanying prospectus are expressly qualified in their entirety by the foregoing cautionary statements. You should not place undue reliance on these forward-looking statements, which are made only as of the respective dates of this prospectus supplement and the accompanying prospectus.

We do not undertake any obligation to update, amend or clarify these forward-looking statements or the risk factors contained therein, whether as a result of new information, future events or otherwise, except as may be required under the federal securities laws. You should not assume that our silence over time means that actual events are bearing out as expressed or implied in such forward-looking statements. Before deciding to purchase our securities, you should carefully consider the risk factors discussed and incorporated by reference in this prospectus supplement and the accompanying prospectus.

The forward-looking statements contained in this prospectus supplement and the accompanying prospectus are excluded from the safe harbor protection provided by Section 27A of the Securities Act.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights some information that is described more fully elsewhere in this prospectus supplement and is qualified in its entirety by the more detailed information included elsewhere in this prospectus supplement and the accompanying prospectus. This summary does not purport to be a complete discussion of all matters referred to in this prospectus supplement and may not contain all of the information that is important to you. For a more complete understanding of the offering of shares of our common stock pursuant to this prospectus supplement and the accompanying prospectus, we encourage you to read this entire prospectus supplement and the accompanying prospectus and the documents to which we have referred in this prospectus supplement and the accompanying prospectus. Together, these documents describe the specific terms of the shares we are offering.

You should carefully read the sections entitled “—Summary Risk Factors” and “Supplemental Risk Factors” in this prospectus supplement and “Prospectus Summary—Risk Factors and Special Considerations” and “Risk Factors and Special Considerations” in the accompanying prospectus, our quarterly schedule of investments for the quarter ended March 31, 2015, filed with the SEC on May 29, 2015, our financial statements included in our Semi-Annual Report to stockholders for the period ended December 31, 2014, filed with the SEC on March 5, 2015, our financial statements included in our Annual Report to stockholders for the fiscal year ended June 30, 2014, filed with the SEC on August 29, 2014 and our financial statements for the fiscal year ended June 30, 2015 included in this prospectus supplement. References to “fiscal year” mean our applicable fiscal year which ends on June 30th in such year.

Except where the context requires otherwise, the terms the “Fund,” “we,” “us” and “our” refer to The Herzfeld Caribbean Basin Fund, Inc. and the “Adviser” refers to HERZFELD/CUBA, a division of Thomas J. Herzfeld Advisors, Inc.

Overview

We are a non-diversified, closed-end management investment company organized under the laws of the State of Maryland that has registered as an investment company under the 1940 Act. The Fund has elected and intends to continue to qualify annually to be treated as a regulated investment company under the Internal Revenue Code of 1986, as amended, or the “Code.”

Our investment objective is long-term capital appreciation. To achieve our objective, we invest in issuers that are likely, in the Adviser’s view, to benefit from economic, political, structural and technological developments in the countries in the Caribbean Basin, which include, among others, Cuba, Jamaica, Trinidad and Tobago, the Bahamas, the Dominican Republic, Barbados, Aruba, Haiti, the former Netherlands Antilles, the Commonwealth of Puerto Rico, Mexico, Honduras, Guatemala, Belize, Costa Rica, Panama, Colombia, the United States and Venezuela, or the “Caribbean Basin Countries.” We invest at least 80% of our total assets in equity and equity-linked securities of issuers, including U.S.-based companies which engage in substantial trade with, and derive substantial revenue from, operations in the Caribbean Basin Countries. The Fund may invest more than 25% of its total assets in the securities of U.S.-based companies, which constituted approximately 54% of the Fund’s total assets as of June 30, 2015. Total assets includes the amount of any borrowings for investment purposes. At such time as it becomes legally permissible for U.S. entities to invest directly in Cuba, the Fund will consider such investments. For additional information, see “Investment Objective and Policies” in the accompanying prospectus. Equity and equity-linked securities include, but are not limited to, common stock, preferred stock, debt securities convertible into equity, warrants, options and futures. An investment in the Fund is not appropriate for all investors and should not constitute a complete investment program. No assurances can be given that our investment objective will be achieved.

Distributions

We currently intend to distribute to stockholders, at least annually at such time so as to avoid imposition of excise taxes, substantially all of our investment company taxable income (i.e., net investment income and any net short-term capital gains less expenses). Net investment income for this purpose is income other than realized net capital gain (i.e.,

the extent of net long-term capital gains over net short-term capital losses). We determine annually whether to distribute any net realized long-term capital gains in excess of net realized short-term capital losses. Our current policy is to comply with the provisions of the Code, that are applicable to regulated investment companies and to distribute substantially all our taxable income to our stockholders. Under these provisions, we are not subject to federal income tax on our taxable income and no federal tax provision is required.

We paid annual distributions to our common stockholders in fiscal year 2015 of \$0.64 per share and in fiscal year 2014 of \$1.14 per share.

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For additional information, see “Dividends and Distributions; Dividend Reinvestment Plan” and “Taxation” in the accompanying prospectus.

Investment Advisory Agreement

Our Investment Advisory Agreement with the Adviser, or the “Investment Advisory Agreement,” sets forth the services to be provided by the Adviser. The Investment Advisory Agreement was last approved by our board of directors (the “board of directors” or “board”) on August 4, 2015, and is required to be approved annually by our board. The Fund pays the Adviser an advisory fee at the annual rate of 1.45% of the Fund’s average weekly net assets and payable at the end of each month. That fee is higher than the advisory fee paid by most investment companies. For the fiscal years ended June 30, 2015, 2014 and 2013, the Adviser earned \$558,086, \$494,178, and \$472,075, respectively, for investment advisory services provided to the Fund pursuant to the Investment Advisory Agreement.

For additional information about the Investment Advisory Agreement, see “Management of the Fund—Investment Advisory Agreement” in the accompanying prospectus.

Closed-End Fund Structure

The Fund is a non-diversified, closed-end management investment company under the 1940 Act, commonly referred to as a “closed-end fund.” Closed-end management investment companies differ from open-end management investment companies (commonly referred to as “mutual funds”) in that closed-end funds generally list their shares for trading on a stock exchange and do not redeem their stock at the request of the stockholder. This means that if a stockholder wishes to sell shares of a closed-end management investment company, he or she must trade them on the market, like any other stock, at the prevailing market price at that time. With respect to a mutual fund, if the stockholder wishes to sell shares of the company, the mutual fund will redeem, or buy back, the shares at NAV. Mutual funds also generally offer new shares on a continuous basis to new investors, and closed-end management investment companies generally do not. The continuous inflows and outflows of assets in a mutual fund can make it difficult to manage the company’s investments. By comparison, closed-end management investment companies are generally able to stay more fully invested in securities that are consistent with their investment objectives and also have greater flexibility to make certain types of investments and to use certain investment strategies, such as investments in illiquid securities.

When shares of closed-end management investment companies are traded, they may trade at a discount to their NAV. This characteristic of shares of closed-end management investment companies is a risk separate and distinct from the risk that the closed-end management investment company’s NAV may decrease as a result of investment activities. Our conversion to an open-end mutual fund would require an amendment to the Fund’s articles of incorporation.

Investment Focus

The Fund’s investment objective is to obtain long-term capital appreciation. This objective may not be changed without the prior approval of the holders of a majority of the Fund’s outstanding voting securities. As further described below, the Fund pursues its objective by investing primarily in equity and equity-linked securities of public and private companies, including U.S.-based companies, (i) whose securities are traded principally on a stock exchange in a Caribbean Basin Country, (ii) that have at least 50% of the value of their assets in a Caribbean Basin Country or (iii) that derive at least 50% of their total revenue from a Caribbean Basin Country, which we refer to collectively as “Caribbean Basin Companies.” Current income through receipt of interest or dividends from the Fund’s securities is incidental to the Fund’s efforts to attain its investment objective.

The Fund invests in Caribbean Basin Companies that are likely, in the opinion of the Adviser, to benefit from economic, political, structural and technological developments in the Caribbean Basin Countries. Under normal market conditions, the Fund invests at least 80% of its total assets in equity and equity-linked securities of Caribbean

Basin Companies. This 80% policy may be changed without stockholder approval upon sixty days written notice to stockholders. Total assets includes the amount of any borrowings for investment purposes. The Fund may invest more than 25% of its total assets in the securities of U.S.-based companies, which constituted approximately 54% of the Fund's total assets as of June 30, 2015.

Investment in Cuban securities or any investment in Cuba directly or indirectly is currently prohibited under U.S. law. At such time as it becomes legally permissible for U.S. entities to invest directly in Cuba, the Fund will consider such investments. U.S. law currently prohibits the Fund from investing its assets in securities of companies that benefit from free trade with Cuba, which we refer to as "companies strategically linked to Cuba." Companies strategically linked to Cuba may include a company that benefits from free trade with Cuba, but does not meet the definition of Caribbean Basin Company set forth above. If permitted to make such investments upon a lifting or easing of the U.S. trade embargo against Cuba or pursuant to regulations promulgated by a department or agency of the U.S. Government, the Fund may invest up to 20% of its assets in equity and equity-linked securities of non-Caribbean Basin Companies strategically linked to Cuba.

The United States re-established diplomatic relations with Cuba and reopened the U.S. embassy in Havana on July 20, 2015. Additionally, the U.S. Department of the Treasury has implemented certain regulatory changes that may facilitate travel to Cuba by U.S. trade delegations and by U.S. citizens who engage in certain commercial activities, although the future impact that these changes may have on travel related to possible investment in Cuba or Cuban securities (if any such investment activities become legally permissible) is not yet clear. There can be no assurances that the U.S. trade embargo against Cuba will ever be lifted or eased or, if and when such lifting or easing of the embargo commences, that the Adviser will be able to identify direct investments in issuers domiciled in Cuba that are acceptable for the Fund. If investment in securities issued by companies domiciled in Cuba were to be permitted under U.S. law, certain risks and special considerations not typically associated with investing in securities of U.S. companies would be relevant to such securities. These risks include, among others, restrictions on foreign investment and on repatriation of capital invested in Cuba, unstable currency exchange and fluctuation, the absence of a capital market structure or market oriented economy, potential price volatility and lesser or lack of liquidity of shares listed on a securities market (if one is established), continued political and economic risks and other risks described in “—Summary Risk Factors” in this prospectus supplement and “Prospectus Summary—Risk Factors and Special Considerations” and “Risk Factors and Special Considerations” in the accompanying prospectus.

Equity securities of public and private companies that may be purchased by the Fund consist of common stock, convertible and non-convertible preferred stock (whether voting or non-voting), debt with equity warrants and unattached warrants. Debt issued with a warrant entitles the holder to purchase equity shares and differs from convertible debt because the conversion feature is in the form of a separately traded warrant. Equity-linked securities of public and private companies that may be purchased by the Fund consist of debt securities convertible into equity and securities such as warrants, options and futures, the prices of which are functions of the value of the equity securities receivable upon exercise or settlement thereof.

We may invest up to 20% of our assets in non-equity linked debt securities including foreign denominated corporate debt and sovereign debt issued by foreign governments, their agencies or instrumentalities, or other government-related entities.

For more information, see “Investment Objective and Policies” in the accompanying prospectus.

Investment Opportunity

We intend to use all or substantially all of the net proceeds from this offering, if any, to acquire investments in accordance with our investment objective and policies as described in this prospectus supplement and for general corporate purposes. Our Adviser believes any such net proceeds may permit the Fund to make strategic investments in additional securities of issuers currently held by us or in other issuers not currently held by us without having to dispose of any securities we hold. Accordingly, we believe this offering may permit the Adviser to implement the Fund’s investment strategy more effectively. In addition to providing us the ability to invest pursuant to our investment strategy with more flexibility and efficiency, we may achieve certain economies of scale by spreading our fixed costs over a larger asset base, thereby reducing the Fund’s expense ratio per share. See also “Use of Proceeds” in this prospectus supplement.

Summary Risk Factors

The value of our assets, as well as the market price of our securities, will fluctuate. Our investments may be risky, and you may lose all or part of your investment in us. The Fund is a non-diversified, closed-end investment company designed primarily as a long-term investment and not as a trading tool. The Fund invests generally in a portfolio of Caribbean Basin Companies. An investment in the Fund should be considered speculative and involves a high degree of risk. The Fund’s shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any governmental agency.

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Risks that you should carefully consider before investing in our common stock include, but are not limited to, the following:

Investing in the securities of Caribbean Basin Companies involves certain risks and considerations not typically associated with investing in securities of U.S. issuers, including, but not limited to, currency fluctuations, political and economic risks, limited liquidity, high inflation and monetary repatriation restrictions.

Equity securities in which we invest are sensitive to general movements in the stock market, may experience a decline in value due to adverse events affecting the issuer of such securities and, in the event of liquidation or bankruptcy of the issuer, would generally have a lower priority with respect to any distribution of the assets of the issuer than holders of other classes of securities or creditors.

Equity-linked securities are subject to market risk and other risks of the referenced equity security, risks related to the market prices for debt securities and counterparty risk, among other risks.

Investment in Cuban securities or any investment in Cuba directly or indirectly is currently prohibited under U.S. law; if investment in securities issued by companies domiciled in Cuba were to be permitted under U.S. law, certain risks and special considerations not typically associated with investing in securities of U.S. companies would be relevant to those securities.

As a “non-diversified” investment company, the Fund’s investments involve greater risks than would be the case for a similar diversified investment company.

The Adviser’s judgment about the attractiveness, relative value or potential appreciation of a particular security or investment strategy may prove to be incorrect.

We may not distribute to stockholders any net realized long-term capital gains in excess of net realized short-term capital losses.

A stockholder’s economic and/or voting interest in the Fund may be diluted if we issue additional shares of common stock in this offering or in any subsequent offering.

Certain provisions in our articles of incorporation, as amended, and our bylaws could deter takeover attempts and have an adverse impact on the price of our common stock.

Certain local or global events have had, and may in the future have, a disruptive effect on the securities markets, including the market on which our common stock is traded.

The NAV of our common stock may fluctuate significantly, and the NAV and liquidity of the market for shares of our common stock may be significantly affected by numerous factors, some of which are beyond our control and may not be directly related to our operating performance.

Under the 1940 Act, we generally are prohibited from issuing or selling our common stock at a price below NAV per share.

Securities traded in foreign markets have often (though not always) performed differently from securities traded in the United States and often involve special risks not present in U.S. investments that can increase the chances that we will lose money.

We may invest from time to time a substantial amount of our assets in issuers located in a single country or a limited number of countries, which may increase the risk and/or volatility of our investment performance.

Changes in foreign currency exchange rates may affect the value of our portfolio as securities and other instruments in which we invest may be denominated or quoted in currencies other than the U.S. dollar.

The risks associated with investments in emerging markets, including many Caribbean Basin Countries in which we invest, are usually much greater than those associated with other foreign or U.S. markets.

Certain actual or potential conflicts of interest and risks may arise in connection with the Adviser, including conflicts of interest caused by compensation arrangements, competition for the time and resources of the Adviser, conflicts of interest in connection with the management of the Fund's business affairs, conflicts of interest with the Adviser's management of other accounts, risk due to the Adviser's actions on behalf of its other accounts and clients, risk due to inside information and risk in transactions with affiliates.

Shares of our common stock may trade at a market price that is less than the NAV attributable to those shares.

Sales of our common stock in this offering, or the perception that such sales may occur, may cause the market price of our common stock to decline.

We may allocate the net proceeds, if any, from this offering in ways with which you may not agree or which may not enhance stockholder value.

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· We may be unable to invest a portion of the net proceeds, if any, from this offering in a timely manner.

The risks and special considerations discussed above apply generally to the investments and strategies that the Adviser will use under normal market conditions. The Fund and the Adviser also may use other strategies and engage in other investment practices. Additional information about these investment strategies and practices and related risks is provided in the accompanying prospectus.

For more information about the risks described above and other risks, see “Supplemental Risk Factors” in this prospectus supplement and “Prospectus Summary—Risk Factors and Special Considerations” and “Risk Factors and Special Considerations” in the accompanying prospectus. In addition, the other information included in this prospectus supplement and the accompanying prospectus contains a discussion of factors you should carefully consider before deciding to invest in shares of our common stock.

Corporate Information

We were incorporated in the State of Maryland on March 10, 1992 and completed our initial public offering in 1993. We are a non-diversified closed-end management investment company that has registered as an investment company under the 1940 Act. Our offices are located at 119 Washington Avenue, Suite 504 Miami Beach, FL 33139, and our telephone number is (800) TJH-FUND (toll-free) or (305) 271-1900. Our website address is <http://herzfeld.com/cuba>. The inclusion of our website address above and elsewhere in this prospectus supplement and the accompanying prospectus is, in each case, intended to be an inactive textual reference only and not an active hyperlink to our website. The information contained in, or that can be accessed through, our website is not part of this prospectus supplement or the accompanying prospectus.

THE OFFERING

| | |
|---|--|
| Common stock offered by us | Shares of our common stock having an aggregate offering price of up to \$17,900,000. |
| Common stock outstanding prior to this offering | 5,599,584 shares. |
| Manner of offering | <p>“At the market” offering that may be made from time to time through Ladenburg Thalmann & Co. Inc., as sales agent using commercially reasonable efforts. See “Plan of Distribution.”</p> <p>We intend to use all or substantially all of the net proceeds from this offering, if any, for acquiring investments in accordance with our investment objective and policies described in this prospectus supplement and for general corporate purposes. The Adviser anticipates that such proceeds, if received, will be invested promptly as investment opportunities are identified, depending on market conditions and the availability of appropriate securities, which we anticipate will take not more than approximately three to six months from the time of any sales made under this offering. Pending investment, the proceeds will be invested in short-term cash-equivalent instruments. Although the Adviser anticipates that all of the proceeds from this offering will be invested pursuant to our investment objective and policies, some of the proceeds may be used to make capital gain distributions required to maintain our tax status as a regulated investment company. See “Use of Proceeds” in this prospectus supplement.</p> |
| Use of proceeds | <p>We distribute annually to our stockholders substantially all of our net investment income and net short-term capital gains, if any. We determine annually whether to distribute any net realized long-term capital gains in excess of net realized short-term capital losses. See “Prospectus Supplement Summary—Distributions” in this prospectus supplement and “Dividends and Distributions; Dividend Reinvestment Plan” and “Taxation” in the accompanying prospectus.</p> |
| Distributions | |
| NASDAQ Capital Market symbol of common stock | “CUBA” |
| Risk factors | <p>An investment in our common stock is subject to risks and involves a heightened risk of total loss of investment. In addition, the companies in which we invest are subject to special risks. See “Prospectus Supplement Summary—Summary Risk Factors” and “Supplemental Risk Factors” in this prospectus supplement and “Prospectus Summary—Risk Factors and Special Considerations” and “Risk Factors and Special Considerations” in the accompanying prospectus to read about factors you should carefully consider before investing in our common stock.</p> |

FEES AND EXPENSES

The following table is intended to assist you in understanding the costs and expenses that you will bear directly or indirectly. We caution you that some of the percentages indicated in the table below are estimates and may vary. Except where the context suggests otherwise, whenever this prospectus supplement and the accompanying prospectus contains a reference to fees or expenses paid by “us” or the Fund or that “we” will pay fees or expenses, you will indirectly bear such fees or expenses as an investor in the Fund.

Fee Table

| | |
|---|-------|
| Stockholder Transaction Expenses | |
| Sales load (as a percentage of offering price)(1) | 2.00% |
| Offering expenses borne by us (as a percentage of offering price)(2) | 1.65% |
| Dividend reinvestment plan fees | None |
| Total stockholder transaction expenses (as a percentage of offering price) | 3.65% |
| Annual Expenses (as a percentage of net assets attributable to common stock): | |
| Management Fees | 1.45% |
| Other expenses (3)(estimated) | 1.50% |
| Acquired fund fees and expenses(4) | 0.02% |
| Total Annual Expenses (estimated) | 2.97% |

Represents the commission with respect to the shares of our common stock being sold in this offering, which we will pay to Ladenburg Thalmann & Co. Inc. under the equity distribution agreement (excluding any expenses of (1) Ladenburg Thalmann & Co. Inc. which may be payable by us). There is no guarantee that there will be any sales of our common stock pursuant to this prospectus supplement and the accompanying prospectus.

(2) The offering expenses of this offering are estimated to be approximately \$296,120.

(3) “Other expenses” are for the current fiscal year after giving effect to anticipated net proceeds of this offering, assuming that we incur the estimated offering expenses. These expenses will be borne by the holders of the shares of common stock of the Fund and result in a reduction in the net asset value, or “NAV,” of the shares of Common Stock.

(4) Includes fees and expenses of approximately 0.02% incurred indirectly as a result of investment in shares of one or more “Acquired Funds,” which include (i) investment companies, or (ii) companies that would be an investment company under Section 3(a) of the 1940 Act except for exceptions under Sections 3(c)(1) and 3(c)(7) under the 1940 Act.

Example

The following example demonstrates the projected dollar amount of total cumulative expenses that would be incurred over various periods with respect to a hypothetical investment in our common stock. In calculating the following expense amounts, we have assumed that our annual operating expenses would remain at the levels set forth in the table above, and that we pay the transaction expenses set forth in the table above, including a sales load of 2.0% paid by you (the commission to be paid by us with respect to common stock sold by us in this offering).

Cumulative Expenses Paid for
the Period of:

1 year 3 years 5 years 10 years

You would pay the following expenses on a \$1,000 investment, assuming a 5%
annual return

| | | | |
|------|-------|-------|-------|
| \$65 | \$125 | \$187 | \$353 |
|------|-------|-------|-------|

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The example and the expenses in the tables above should not be considered a representation of past or future expenses or annual rates of return and actual expenses or annual rates of return may be more or less than those shown. The foregoing tables and example are intended to assist investors in understanding the costs and expenses that an investor in the Fund will bear directly or indirectly. "Other Expenses" are based on estimated amounts for the current fiscal year. See sections entitled "Management of the Fund" in this prospectus supplement and the accompanying prospectus for additional information.

The example assumes the reinvestment of all dividends and distributions at NAV, the sales load of 2.0% discussed above and an expense ratio of 2.97%. The tables above and the assumption in the example of a 5% annual return are required by SEC regulations applicable to all investment companies. In addition, while the example assumes the reinvestment of all dividends and distributions at NAV, participants in the Dividend Reinvestment Plan may receive shares purchased or issued at a price or value different from NAV. See "Dividends and Distributions; Dividend Reinvestment Plan" in the accompanying prospectus.

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SUPPLEMENTAL RISK FACTORS

Investing in our securities involves a number of significant risks. Before you invest in our securities, you should be aware of various risks, including those described below and those set forth elsewhere in this prospectus supplement and in the accompanying prospectus. You should carefully consider these risk factors, together with all of the other information included in this prospectus supplement and the accompanying prospectus, before you decide whether to make an investment in our securities. The risks set out below are not the only risks we face. Additional risks and uncertainties not presently known to us or not presently deemed material by us may also impair our operations and performance. If any of the following events occur, our business, financial condition, and results of operations could be materially and adversely affected. In such case, our NAV and the trading price of our securities could decline, and you may lose all or part of your investment.

Risks Related to This Offering

Issuances of Our Common Stock. Sales of our common stock in this offering, or the perception that such sales may occur, could cause the market price of our common stock to fall. We may issue and sell shares of our common stock for aggregate gross proceeds of up to \$17,900,000 from time to time in connection with this offering. The issuance and sale from time to time of these new shares of common stock, or the perception that such sales may occur, could have the effect of depressing the market price of our common stock or could impair our ability to raise capital through a future sale of our equity securities.

Allocation of Net Proceeds. We may allocate any net proceeds from this offering in ways with which you may not agree. We have significant flexibility in investing the net proceeds of this offering and may use the net proceeds from this offering in ways with which you may not agree or for purposes other than those intended at the time of this offering. You will not have the opportunity, as part of your investment decision, to assess whether the proceeds are being used appropriately. If we do not invest or apply any net proceeds from this offering in ways that enhance stockholder value, we may fail to achieve expected financial results, which could cause the market price of our common stock to decline.

Time Necessary to Invest. Delays in investing the net proceeds, if any, raised in this offering could harm our financial condition and operating results. Depending on market conditions and the availability of appropriate securities, we anticipate it will take not more than approximately three to six months from the time of any sales made under this offering to invest the net proceeds of any such sales in investments meeting our investment objective. Pending investment, the proceeds will be invested in short-term cash-equivalent instruments. These investments may earn yields substantially lower than the income that we would anticipate receiving if all or substantially all of the net proceeds of any sales under this offering are invested in accordance with our investment objective. However, we cannot assure you that we will be able to identify any investments that meet our investment objective or that any investment that we make will produce a positive return. We may be unable to invest the net proceeds of this offering, if any, on acceptable terms within the time period that we anticipate or at all, which could harm our financial condition and operating results.

USE OF PROCEEDS

Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be “at the market,” as defined in Rule 415 under the Securities Act, including sales made directly on the NASDAQ Capital Market or similar securities exchange or sales made to or through a market maker other than on an exchange, at prices related to the prevailing market prices or at negotiated prices. There is no guarantee that there will be any sales of our common stock pursuant to this prospectus supplement and the accompanying prospectus. Actual sales, if any, of our common stock under this prospectus supplement and the accompanying prospectus may be less than the amount set forth in this paragraph depending on, among other things, the market price of our common stock at the time of any such sale. As a result, the actual net proceeds we receive may be more or less than the amount of net proceeds estimated in this prospectus supplement. However, the sales price per share of our common stock offered by this prospectus supplement and the accompanying prospectus, less Ladenburg Thalmann & Co. Inc.’s commission, will not be less than the net asset value per share of our common stock at the time of such sale. If we sell shares of our common stock with an aggregate offering price of \$17.9 million, we anticipate that our net proceeds, after deducting sales agent commissions and estimated expenses payable by us, will be approximately \$17.2 million.

We intend to use all or substantially all of the net proceeds from the sale of our securities pursuant to this prospectus supplement, if any, for acquiring investments in accordance with our investment objective and policies described in this prospectus supplement and for general corporate purposes. The Adviser anticipates that such proceeds, if received, will be invested promptly as investment opportunities are identified, depending on market conditions and the availability of appropriate securities, which we anticipate will take not more than approximately three to six months from the date of any sales made under this offering. Pending investment, the proceeds will be invested in short-term cash-equivalent instruments. Although the Adviser anticipates that all of the proceeds from this offering will be invested pursuant to our investment objective and policies, some of the proceeds may be used to make capital gain distributions required to maintain our tax status as a regulated investment company.

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PRICE RANGE OF COMMON STOCK

The following table sets forth, for the periods indicated, the high and low sales prices for shares of our common stock on the NASDAQ Capital Market, the NAVs per share on the dates of the high and low sales prices, and the discount or premium that each sales price represented as a percentage of the preceding NAV:

| Quarter Ended | High | NAV (on High Date) | Premium/ (Discount) (on High Date) | Low | NAV (on Low Date) | Premium/ (Discount) (on Low Date) |
|---------------|---------|--------------------|------------------------------------|--------|-------------------|-----------------------------------|
| 6/30/2015 | \$11.99 | \$7.36 | 62.91% | \$9.24 | \$7.71 | 19.84% |
| 3/31/2015 | \$11.12 | \$7.83 | 42.02% | \$8.01 | \$7.42 | 7.95% |
| 12/31/2014 | \$14.97 | \$8.21 | 82.34% | \$6.38 | \$8.30 | -23.13% |
| 9/30/2014 | \$8.33 | \$9.26 | -10.04% | \$7.78 | \$8.79 | -11.49% |
| 6/30/2014 | \$8.37 | \$9.02 | -7.21% | \$7.95 | \$8.76 | -9.25% |
| 3/31/2014 | \$8.99 | \$8.86 | 1.47% | \$7.58 | \$8.38 | -9.55% |
| 12/31/2013 | \$9.03 | \$9.87 | -8.51% | \$7.61 | \$8.60 | -11.51% |
| 9/30/2013 | \$8.99 | \$9.89 | -9.10% | \$8.26 | \$9.67 | -14.58% |
| 6/30/2013 | \$9.24 | \$9.50 | -2.74% | \$8.05 | \$8.86 | -9.14% |
| 3/31/2013 | \$9.39 | \$9.30 | 0.97% | \$7.67 | \$8.90 | -13.82% |
| 12/31/2012 | \$7.89 | \$8.62 | -8.47% | \$7.11 | \$8.21 | -13.40% |
| 9/30/2012 | \$7.45 | \$8.39 | -11.20% | \$6.75 | \$7.80 | -13.46% |

On September 9, 2015, the last reported sales price as of the close of regular trading on the NASDAQ Capital Market for our common stock was \$7.91 per share, and our NAV per share of our common stock was \$6.72 (unaudited). On September 9, 2015, our total net assets were \$37,629,782.71.

Our common stock has historically traded at a premium or at a discount to its NAV. We cannot predict whether our common stock will trade at a premium or discount to NAV in the future. In recognition of the possibility that the Fund's shares might trade at a discount to NAV, our board of directors may determine that it would be in the best interest of stockholders of the Fund to take action to attempt to reduce or eliminate a market value discount from NAV. To that end, the board may take action from time to time either to repurchase Fund shares in open market or private transactions or to make a tender offer for Fund shares at NAV. No assurance can be given that the board will decide to undertake such repurchases or tender offers, or that any such repurchases or tender offers would reduce any market discount. The board does not currently intend to undertake repurchases or tenders offers. See also "Description of Common Stock—Share Repurchases and Tender Offers" in the accompanying prospectus.

MANAGEMENT OF THE FUND

The information in this section updates and supplements and, to the extent inconsistent with, replaces the information in the accompanying prospectus under the heading “Management of the Fund” and describes certain increases in compensation paid to our non-officer directors in fiscal year 2015 and certain other information about our management and board of directors, as well as risk oversight or the Fund.

Our board is responsible for the overall management of the Fund, including oversight of the Adviser and other service providers. There are five directors of the Fund. Two of the directors are “interested person” (as defined in the 1940 Act). A director who is not an “interested persons” is referred to as an “Independent Director.” Information about both the Fund’s directors and officers is set forth in the tables below.

| Name, Address and Age | Position(s) Held with Fund | Term of Office* and Length of Time Served | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Complex Overseen by Director | Other Directorships Held by Director |
|---|----------------------------------|---|--|---|---|
| Independent Directors | | | | | |
| John A. Gelety Age: 47 | Director | Current term expires 2016. 2011 to present. | John A. Gelety, P.A., attorney at law, a transactional law firm that specializes in business law, with a concentration on domestic and cross-border mergers & acquisitions, private equity and commercial transactions, 2005- present. | 1 | None |
| Ann S. Lieff Age: 63 | Director | Current term expires 2016. 1998 to present. | President of the Lieff Company, a management consulting firm that offers ongoing advisory services as a corporate director, 1998-present; former CEO of Spec’s Music, 1980-1998, a retailer of recorded music. | 1 | None |
| Kay W. Tatum, Ph.D., CPA Age: 63 | Director | Current term expires 2015. 2007 to present. | Associate Professor of Accounting, University of Miami School of Business Administration, 1992-present; Chair, Department of Accounting, 2004-2008; Assistant Professor of Accounting, University of Miami, 1986-1992. | 1 | None |
| Interested Directors | | | | | |
| Cecilia L. Gondor ** Age: 53 | Director | Current term expires 2015. 2014 to present. | Managing Member of L&M Management, a real estate management business, 2014-present. Executive Vice President of Thomas J. Herzfeld & Co., Inc., a broker dealer, 1984-2010, and Thomas J. Herzfeld Advisors, Inc., | 1 | None |

1984-2014.

| | | | | | |
|----------------------------------|---|--|--|-----|---------------------------------------|
| Thomas J. Herzfeld*** Age: 70 | President, Chairman, Director and Portfolio Manager | Current term expires 2017. 1993 to present. | Chairman and President of Thomas J. Herzfeld & Co. Inc., a broker dealer, 1981-2010, and Thomas J. Herzfeld Advisors, Inc. 1984- present. | 2 | The Cuba Fund, Inc. (in registration) |
| Officers | | | | | |
| Erik M. Herzfeld Age:41 | Portfolio Manager | 2008 to present | Co-President of Thomas J. Herzfeld Advisors, Inc., 2015-present; Portfolio Manager of Thomas J. Herzfeld Advisors, Inc., 2007 to present; Managing Director of Thomas J. Herzfeld Advisors, Inc. 2007-2015; Vice President JPMorgan Chase 2000-2007, foreign exchange options trading. | N/A | N/A |
| Reanna J. M. Lee Age: 29 | Secretary, Treasurer, CCO | Officer since 2014 | In-house counsel of Thomas J. Herzfeld Advisors, Inc. 2012 to present; Chief Compliance Officer of Thomas J. Herzfeld Advisors, Inc., 2013 to present; Reanna J. M. Lee, a law firm with areas of practice including intellectual property and entertainment law, 2011 to present. | N/A | N/A |

* Each director serves a three-year term after which the director may be re-elected for additional three-year terms.

** An "interested person" (as defined in the 1940 Act) of the Fund because she was formerly an officer and employee of the Fund's investment adviser.

*** An "interested person" (as defined in the 1940 Act) of the Fund because he is an officer and employee of the Fund's investment adviser.

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Our board of directors held four regular meetings, and two special telephonic meetings during the Fund's fiscal year ended June 30, 2015. During the Fund's fiscal year ended June 30, 2015, each of the Audit Committee and Nominating Committee met twice.

Set forth in the following table are the Directors of the Fund, together with the dollar range of equity securities beneficially owned by each Director as of September 9, 2015, as well as the aggregate dollar range of equity securities in all funds overseen or to be overseen in a family of investment companies (i.e., funds managed by the Adviser).

| Name | Dollar Range of Equity in the Fund**** | Number of Shares Held**** | Percent of Class**** |
|---|--|---------------------------|----------------------|
| Interested Directors: | | | |
| Thomas J. Herzfeld | Over \$100,000 | 318,005 | 5.68% |
| Cecilia L. Gondor | \$10,001 - \$50,000 | 3,800 | 0.07% |
| Independent Directors: | | | |
| Ann S. Lieff | \$50,001 - \$100,000 | 11,728 | 0.21% |
| John A. Geley | \$10,001 - \$50,000 | 2,168 | 0.04% |
| Kay W. Tatum, Ph.D., CPA | \$0 - \$10,000 | 1,000 | 0.02% |
| All directors as a group (five persons) | N/A | 336,701 | 6.02% |

**** As of September 9, 2015

For the fiscal year ended June 30, 2015, the aggregate director compensation paid by the Fund was \$122,300. The compensation paid by the Fund to each of its directors serving during the fiscal year ended June 30, 2015 is set forth in the compensation table below. Directors are also reimbursed for related business expenses. Directors who are current employees or officers of the Adviser (currently Mr. T. Herzfeld) are not paid compensation for their service as a director. None of the other directors serves on the board of any other registered investment company to which the Adviser or an affiliated person of the Adviser provides investment advisory services. Directors and executive officers of the Fund do not receive pension or retirement benefits from the Fund.

| Name of Person and Position with Fund | Aggregate Compensation from the Fund | Pensions or Retirement Benefits Accrued as Part of Fund Expenses | Estimated Annual Benefits Upon Retirement | Total Compensation From Fund and Fund Complex Paid to Directors |
|--|--------------------------------------|--|---|---|
| Thomas J. Herzfeld* President and Director | \$0 | \$0 | \$0 | \$0 |
| Ann S. Lieff Director | \$29,900 | \$0 | \$0 | \$29,900 |
| Michael A. Rubin Director (retired Nov. 2014) | \$1,500 | \$0 | \$0 | \$1,500 |
| Kay W. Tatum Director | \$32,900 | \$0 | \$0 | \$32,900 |

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| | | | | |
|---|----------|-----|-----|----------|
| John A. Gelety Director | \$29,900 | \$0 | \$0 | \$29,900 |
| Cecilia L. Gondor* Director (appointed Sept. 2014) | \$28,100 | \$0 | \$0 | \$28,100 |

*“Interested person” of the Fund as defined by Section 2(a)(19) of the 1940 Act.

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HERZFELD/CUBA, a division of Thomas J. Herzfeld Advisors, Inc., a U.S. registered investment adviser, has acted as the investment adviser to the Fund since our registration under the 1940 Act. We pay the Adviser a monthly fee, disbursed quarterly, at the annual rate of 1.45% of our average daily net assets.

Portfolio Managers

Thomas J. Herzfeld currently serves as the Chairman, President, Director and Portfolio Manager of the Fund. Mr. T. Herzfeld has managed the Fund since our registration under the 1940 Act. In addition, Mr. T. Herzfeld has served as the Chairman and Co-President of the Adviser, Thomas J. Herzfeld Advisors, Inc., since 1984. Prior to these positions, he served as the Chairman and President of Thomas J. Herzfeld & Co., Inc., an affiliated broker/dealer (that ceased operations in 2010) from 1981-2010. Prior to these positions, Mr. T. Herzfeld was Executive Vice President and Director of a New York Stock Exchange member firm.

Erik M. Herzfeld currently serves as Portfolio Manager of the Fund. Mr. E. Herzfeld has managed the Fund since 2008. In addition, Mr. E. Herzfeld has served as Co-President of the Adviser since July 2015. Mr. E. Herzfeld formerly served as Managing Director of the Adviser since 2007. Prior to these positions, he served in quantitative research, trading and management roles with Lehman Brothers and JPMorgan and was based in New York and Asia.

Messrs. T. Herzfeld and E. Herzfeld are primarily responsible for the day-to-day management of the Fund.

As of June 30, 2015, Mr. T. Herzfeld and Mr. E. Herzfeld were also portfolio managers for approximately 290 other accounts comprising \$213 million under management, 0 pooled investment vehicles comprising \$0 under management, and one other investment company comprising approximately \$42 million under management. However, none of these accounts are managed with an investment strategy similar to the Fund's. As of the same date, the Fund had total assets of approximately \$42 million.

The Fund does not believe that any material conflicts are likely to arise through Mr. T. Herzfeld's or Mr. E. Herzfeld's management of other accounts in addition to the Fund in that there is very little overlap in the type of investments made for the Fund and other accounts, which generally trade shares of closed-end funds. The Fund is permitted, to a limited extent, to buy shares of other closed-end funds and occasionally other clients or Mr. T. Herzfeld may buy shares of securities also held in the portfolio of the Fund. The Adviser and the Fund have adopted procedures overseen by the CCO intended to monitor compliance with such policies which include conflicts which may occur regarding allocation of investment opportunities between the Fund and other accounts. The CCO of the Fund reports directly to the board at least annually.

Mr. T. Herzfeld and Mr. E. Herzfeld receive no direct compensation from the Fund for their services as Portfolio Managers. Mr. T. Herzfeld owns 100% of the voting stock of the Adviser, a Subchapter S Corporation, therefore he is taxed on its profits. Portfolio managers, other than Mr. T. Herzfeld, are paid a fixed salary by the Adviser. In addition, the Adviser retains the ability to pay bonuses based on the overall profitability of the Adviser, however, compensation is not directly based upon the performance of a particular client or account, including the Fund's performance, nor the value of a particular client or account, including the value of the Fund's assets.

The range of value of shares of the Fund owned by Mr. T. Herzfeld as of June 30, 2015 was over \$1,000,000. The range of value of shares of the Fund owned by Mr. E. Herzfeld as of June 30, 2015 was \$500,001-\$1,000,000.

Risk Oversight

While responsibility for the day-to-day operations for the Fund, including certain risk management functions addressed in policies and procedures relating to the Fund, resides with the Adviser, the board actively performs a risk oversight function, both directly and through its committees, as described below. The board and its audit committee (the "audit committee") exercise a risk oversight function through regular and ad hoc board and audit committee

meetings during which the board and the audit committee meet with representatives of the Adviser and other service providers. The board also periodically receives reports regarding the Fund's and the Adviser's policies and procedures, and reviews and approves changes to Fund's policies and procedures. The audit committee also meets regularly with the Fund's independent registered public accounting firm to discuss internal controls and financial reporting matters, among other things. The board and audit committee routinely receive reports from the Fund's officers and the Adviser on a variety of other risk areas relating to the Fund, including, without limitation, investment risks, liquidity risks, valuation risks and operational risks, as well as more general business risks. In addition, the board consults with Fund counsel both during and, to the extent required, between meetings of the board and the audit committee.

The board also meets regularly with the Fund's Chief Compliance Officer ("CCO"), who reports directly to the board. The CCO has responsibility for annually testing the compliance procedures of the Fund and its service providers. The CCO regularly discusses issues related to compliance and provides a quarterly report to the board regarding certain Fund compliance matters.

For additional information about the Adviser and the Fund's management, see "Management of the Fund" in the accompanying prospectus.

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PORTFOLIO TRANSACTIONS AND BROKERAGE

The information in this section updates and supplements and, to the extent inconsistent with, replaces the information in the accompanying prospectus under the heading "Portfolio Transactions and Brokerage."

During the fiscal years ended 2015, 2014 and 2013, the Fund paid \$4,891, \$3,890, and \$4,359, respectively, in brokerage commissions.

For additional information about the Fund's portfolio transactions and brokerage, see "Portfolio Transactions and Brokerage" in the accompanying prospectus.

REGULATION AS A REGISTERED CLOSED-END MANAGEMENT INVESTMENT COMPANY

General

We are a non-diversified closed-end management investment company that has registered as an investment company under the 1940 Act. As a registered closed-end investment company, we are subject to regulation under the 1940 Act. Under the 1940 Act, unless authorized by vote of a majority of the outstanding voting securities, we may not:

- change our classification to an open-end management investment company;

- borrow money, issue senior securities, underwrite securities issued by other persons, purchase or sell real estate or commodities or make loans to other persons;

- deviate from any policy in respect of concentration of investments in any particular industry or group of industries as recited in the accompanying prospectus, deviate from any investment policy which is changeable only if authorized by shareholder vote under the 1940 Act, or deviate from any fundamental policy recited in its registration statement in accordance with the requirements of the 1940 Act; or

- change the nature of our business so as to cease to be an investment company.

A majority of the outstanding voting securities of a company is defined under the 1940 Act as the lesser of: (a) 67% or more of such company's voting securities present at a meeting if more than 50% of the outstanding voting securities of such company are present or represented by proxy, or (b) more than 50% of the outstanding voting securities of such company.

As with other companies regulated by the 1940 Act, a registered closed-end management investment company must adhere to certain substantive regulatory requirements. A majority of our directors must be persons who are not interested persons, as that term is defined in the 1940 Act. Additionally, we are required to provide and maintain a bond issued by a reputable fidelity insurance company to protect the closed-end management investment company. Furthermore, as a registered closed-end management investment company, we are prohibited from protecting any director or officer against any liability to us or our stockholders arising from willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such person's office. We may also be prohibited under the 1940 Act from knowingly participating in certain transactions with our affiliates without the prior approval of our directors who are not interested persons and, in some cases, prior approval by the SEC.

As a registered closed-end management investment company, we are generally required to meet an asset coverage ratio with respect to our outstanding senior securities representing indebtedness, defined under the 1940 Act as the ratio of our gross assets (less all liabilities and indebtedness not represented by senior securities) to our outstanding

senior securities representing indebtedness, of at least 300% after each issuance of senior securities representing indebtedness. In addition, we are generally required to meet an asset coverage ratio with respect to any outstanding preferred stock, as defined under the 1940 Act as the ratio of our gross assets (less all liabilities and indebtedness not represented by senior securities) to our outstanding senior securities representing indebtedness, plus the aggregate involuntary liquidation preference of any outstanding preferred stock, of at least 200% immediately after each issuance of preferred stock. We are also prohibited by the 1940 Act from issuing or selling any senior security if, immediately after such issuance, we would have outstanding more than (i) one class of senior security representing indebtedness, exclusive of any promissory notes or other evidences of indebtedness issued in consideration of any loan, extension, or renewal thereof, made by a bank or other person and privately arranged, and not intended to be publicly distributed, or (ii) one class of senior security which is stock, except that in each case any such class of indebtedness or stock may be issued in one or more series. Under the Fund's articles of incorporation, the Fund only issues common stock and is not currently permitted to issue preferred stock and would only be permitted to do so after the Fund's articles of incorporation are revised or supplemented. In addition to the 1940 Act requirements, the Fund is further limited in its ability to issue senior securities (including preferred stock), pledge its assets or borrow money by its fundamental investment restrictions. Such investment restrictions are more restrictive than the 1940 Act. See "Investment Objective and Policies—Investment Restrictions" in the accompanying prospectus.

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We are generally not able to issue and sell our common stock at a price below net asset value per share. See “Risk Factors and Special Considerations—Risks Related to Offerings Pursuant to this Prospectus” in the accompanying prospectus. We may, however, sell our common stock, or at a price below the then-current net asset value of our common stock if our board determines that such sale is in our best interests and the best interests of our stockholders, and our stockholders approve such sale. In addition, we may generally issue new shares of our common stock at a price below net asset value in rights offerings to existing stockholders, in payment of dividends and in certain other limited circumstances.

As a registered closed-end management investment company, we are generally limited in our ability to invest in any portfolio company in which our investment adviser or any of its affiliates currently has an investment or to make any co-investments with our investment adviser or its affiliates without an exemptive order from the SEC, subject to certain exceptions.

We will be periodically examined by the SEC for compliance with the 1940 Act.

As a registered closed-end management investment company, we are subject to certain risks and uncertainties. See “Prospectus Supplement Summary—Summary Risk Factors” and “Supplemental Risk Factors” in this prospectus supplement and “Prospectus Summary—Risk Factors and Special Considerations” and “Risk Factors and Special Considerations” in the accompanying prospectus.

For more information on temporary investments we may make pending investment of funds in portfolio securities consistent with our investment objective and strategies described in this prospectus supplement and the accompanying prospectus, see “Investment Objective and Policies—Investment Policies - General—Temporary Defensive Positions” in the accompanying prospectus.

For more information about issuance of senior securities (including certain debt securities and/or preferred stock) by the Fund and more information about our fundamental investment policies, see “Investment Objective and Policies—Investment Restrictions” in the accompanying prospectus.

Code of Ethics

The Fund and the Adviser have adopted a joint code of ethics pursuant to Rule 17j-1 under the 1940 Act. The code of ethics permits personnel subject to the code to invest in securities, including securities that may be purchased or held by the Fund, following certain black-out periods specified in the code, and subject to certain other conditions and restrictions.

The code of ethics forms an exhibit to our Annual Report to stockholders for the fiscal year ended June 30, 2015 and is available without charge, upon request, by contacting us by mail at 119 Washington Avenue, Suite 504 Miami Beach, FL 33139, or by telephone at (800) TJH-FUND (toll-free) or (305) 271-1900, or at the SEC’s Public Reference Room at 100 F Street, NE, Washington, D.C. 20549, on the SEC’s website at <http://www.sec.gov>, or, upon payment of a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing to the SEC’s Public Reference Section, Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at (202) 551-8090 or toll free at 1 (800) SEC-0330.

Compliance Policies and Procedures

We and our investment adviser have adopted and implemented written policies and procedures reasonably designed to detect and prevent violation of the federal securities laws and are required to review these compliance policies and procedures annually for their adequacy and the effectiveness of their implementation and designate a CCO to be responsible for administering the policies and procedures. Reanna J. M. Lee currently serves as our CCO.

Sarbanes-Oxley Act of 2002

The Sarbanes-Oxley Act of 2002 imposes a wide variety of regulatory requirements on publicly-held companies and their insiders. Many of these requirements affect us. For example:

pursuant to Rule 30a-2 of the 1940 Act, our chief executive officer and chief financial officer must certify the accuracy of the financial statements contained in our periodic reports;

pursuant to Item 11 of Form N-CSR and Item 2 of Form N-Q, our periodic reports must disclose our conclusions about the effectiveness of our disclosure controls and procedures; and

pursuant to Item 11 of Form N-CSR and Item 2 of Form N-Q, our periodic reports must disclose whether there were significant changes in our internal controls over financial reporting or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The Sarbanes-Oxley Act requires us to review our current policies and procedures to determine whether we comply with the Sarbanes-Oxley Act and the regulations promulgated thereunder. We will continue to monitor our compliance with all regulations that are adopted under the Sarbanes-Oxley Act and will take actions necessary to ensure that we are in compliance therewith.

Proxy Voting Policies and Procedures

The Fund's and the Adviser's proxy voting policies and procedures are attached to the accompanying prospectus as Appendices A and B, respectively. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by contacting us by mail at 119 Washington Avenue, Suite 504 Miami Beach, FL 33139, or by telephone at (800) TJH-FUND (toll-free) or (305) 271-1900, or at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549, on the SEC's website at <http://www.sec.gov>, or, upon payment of a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing to the SEC's Public Reference Section, Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at (202) 551-8090 or toll free at 1 (800) SEC-0330.

Privacy Policy

Information We Collect

We collect nonpublic information about our stockholders from applications or other account forms that they complete, from their transactions with us, our affiliates or others and through transactions and conversations over the telephone.

Information We Disclose

We do not disclose information about our stockholders, or our former stockholders, to our affiliates or to service providers or other third parties except on the limited basis permitted by law. For example, we may disclose nonpublic

information about stockholders to third parties to assist us in servicing stockholders' accounts with us and to send transaction confirmations, annual reports, prospectuses and tax forms to our stockholders. We may also disclose nonpublic information about our stockholders to government entities in response to subpoenas.

Our Security Procedures

To ensure the highest level of confidentiality and security, we maintain physical, electronic and procedural safeguards that comply with federal standards to guard stockholders' personal information. We also restrict access to stockholders' personal and account information to those employees who need to know that information to provide services to our stockholders.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The information in this section updates and supplements and, to the extent inconsistent with, replaces the information in the accompanying prospectus under the heading "Security Ownership of Certain Beneficial Owners."

To the knowledge of the Fund, as of September 9, 2015, there is one stockholder who holds five percent or more of our outstanding shares of common stock. To the knowledge of the Fund, as of that date, Mr. T. Herzfeld beneficially owned 318,005 shares of common stock, or 5.68% of the voting securities of the Fund. The address for Mr. T. Herzfeld is 119 Washington Avenue, Suite 504, Miami Beach, FL 33139. As of September 9, 2015, there were 92 record holders of the Fund's common stock. Our officers and directors, as a group, owned an aggregate of 427,881 shares of our common stock, or 7.64% of the voting securities of the Fund, as of that date.

PLAN OF DISTRIBUTION

Ladenburg Thalmann & Co. Inc. is acting as our sales agent in connection with the offer and sale of shares of our common stock pursuant to this prospectus supplement and the accompanying prospectus. Upon written instructions from us, Ladenburg Thalmann & Co. Inc. will use its commercially reasonable efforts consistent with its normal sales and trading practices to sell, as our sales agent, our common stock under the terms and subject to the conditions set forth in our equity distribution agreement with Ladenburg Thalmann & Co. Inc. dated September 10, 2015. We will instruct Ladenburg Thalmann & Co. Inc. as to the amount of common stock to be sold by it. We may instruct Ladenburg Thalmann & Co. Inc. not to sell common stock if the sales cannot be effected at or above the price designated by us in any instruction. The sales price per share of our common stock offered by this prospectus supplement and the accompanying prospectus, less Ladenburg Thalmann & Co. Inc.'s commission, will not be less than the net asset value per share of our common stock at the time of such sale, unless we have received the requisite approval from stockholders as required pursuant to the 1940 Act. We or Ladenburg Thalmann & Co. Inc. may suspend the offering of shares of common stock upon proper notice and subject to other conditions.

Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be "at the market," as defined in Rule 415 under the Securities Act, including sales made directly on the NASDAQ Capital Market or similar securities exchange or sales made to or through a market maker other than on an exchange at prices related to the prevailing market prices or at negotiated price.

Ladenburg Thalmann & Co. Inc. will provide written confirmation of a sale to us no later than the opening of the trading day on the NASDAQ Capital Market following each trading day in which shares of our common stock are sold under the equity distribution agreement. Each confirmation will include the number of shares of common stock sold on the preceding day, the net proceeds to us and the compensation payable by us to Ladenburg Thalmann & Co. Inc. in connection with the sales.

Ladenburg Thalmann & Co. Inc. will receive a commission from us equal to 2.0% of the gross sales price of any shares of our common stock sold through Ladenburg Thalmann & Co. Inc. under the equity distribution agreement. In addition to such commissions, subject to at least 200,000 shares being sold pursuant to the equity distribution agreement, we have agreed to reimburse Ladenburg Thalmann & Co. Inc. for its reasonable out-of-pocket expenses, including reasonable fees and disbursements of counsel incurred by Ladenburg Thalmann & Co. Inc. in connection with this offering; provided that such reimbursements shall not exceed \$30,000. We estimate that the total expenses for the offering, excluding compensation payable to Ladenburg Thalmann & Co. Inc. under the terms of the equity distribution agreement, will be approximately \$296,120.

Settlement for sales of shares of common stock will occur on the third trading day following the date on which such sales are made (or such earlier day as is industry practice for regular-way trading), or on some other date that is agreed upon by us and Ladenburg Thalmann & Co. Inc. in connection with a particular transaction, in return for payment of the net proceeds to us. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

We will report at least semi-annually the number of shares of our common stock sold through Ladenburg Thalmann & Co. Inc. under the equity distribution agreement and the net proceeds to us.

In connection with the sale of the common stock on our behalf, Ladenburg Thalmann & Co. Inc. may be deemed to be an "underwriter" within the meaning of the Securities Act, and the compensation of Ladenburg Thalmann & Co. Inc. may be deemed to be underwriting commissions or discounts. We have agreed to provide indemnification and contribution to Ladenburg Thalmann & Co. Inc. and certain of its affiliated and related persons against certain liabilities (and certain related expenses and legal fees), including certain liabilities arising under the Securities Act.

The offering of shares of our common stock pursuant to the equity distribution agreement will terminate upon the earlier of (i) the sale of the dollar amount of common stock subject to the equity distribution agreement or (ii) the termination of the equity distribution agreement. The equity distribution agreement may be terminated by us in our sole discretion under the circumstances specified in the equity distribution agreement by giving notice to Ladenburg Thalmann & Co. Inc. In addition, Ladenburg Thalmann & Co. Inc. may terminate the equity distribution agreement under the circumstances specified in the equity distribution agreement by giving notice to us.

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The foregoing summary and any other discussion of the equity distribution agreement contained in this prospectus supplement do not purport to be a complete description of the terms of such agreement and are, in each case, qualified in their entirety by reference to the full text of the equity distribution agreement.

Potential Conflicts of Interest

Ladenburg Thalmann & Co. Inc. and its affiliates may in the future provide various investment banking, commercial banking, financial advisory, brokerage and other services to us and our affiliates for which services they may receive customary fees and expense reimbursement.

Ladenburg Thalmann & Co. Inc. and its affiliates have engaged, from time to time, and may in the future engage, in transactions with and perform services for us in the ordinary course of their business for which they have received, and may in the future receive, customary fees and reimbursement of expenses. Such transactions and services include that in the ordinary course of their various business activities, Ladenburg Thalmann & Co. Inc. and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments for their own account and for the accounts of their customers and such investment and securities activities may involve securities and/or instruments of the Fund. Ladenburg Thalmann & Co. Inc., its employees and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The principal business address of Ladenburg Thalmann & Co. Inc. is 570 Lexington Avenue, 12th Floor, New York, NY 10022.

LEGAL MATTERS

Pepper Hamilton LLP, 3000 Two Logan Square, 18th and Arch Streets, Philadelphia, PA 19103 serves as counsel to the Fund. Certain legal matters in connection with the offering of the securities will be passed upon for the sales agent by Blank Rome LLP, New York, NY.

EXPERTS

The independent registered public accounting firm of the Fund is KPMG LLP, located at 191 W. Nationwide Blvd., Suite 500, Columbus, OH 43215. The financial statements of the Fund as of and for the year ended June 30, 2015, have been included herein in reliance upon the report of KPMG LLP, independent registered public accounting firm, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing. In addition, the financial statements of the Fund as of and for the year ended June 30, 2014, have been incorporated by reference herein in reliance upon the report of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

AVAILABLE INFORMATION

We have filed with the SEC a registration statement on Form N-2 together with amendments and related exhibits under the Securities Act. The registration statement contains additional information about us and the securities being offered by this prospectus supplement and the accompanying prospectus. We are also required to file with or submit to the SEC annual, semi-annual and quarterly reports, proxy statements and other information about us. You may request copies of these reports and filings, including this prospectus supplement and accompanying prospectus, free of charge, make inquiries or request other information about us by contacting us by mail at 119 Washington Avenue, Suite 504 Miami Beach, FL 33139, or by telephone at (800) TJH-FUND (toll-free) or (305) 271-1900. Copies of these reports and filings are also available free of charge through our website at <http://herzfeld.com/cuba>. The inclusion of our website address above and elsewhere in this prospectus supplement is, in each case, intended to be an inactive textual reference only and not an active hyperlink to our website. The information contained in, or that can be accessed through, our website is not part of this prospectus supplement.

You may also inspect and copy these reports, proxy statements and other information, as well as the registration statement and related exhibits and schedules, at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at (202) 551-8090 or toll free at 1 (800) SEC-0330. The SEC maintains an Internet site that contains reports, proxy and information statements and other information filed electronically by us with the SEC which are available on the SEC's website at <http://www.sec.gov>. Copies of these reports, proxy and information statements and other information may also be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing to the SEC's Public Reference Section, Washington, D.C. 20549.

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Schedule of Investments as of June 30, 2015

| Shares or Principal Amount | Description | Fair Value |
|---|---|-------------|
| Common stocks - 99.36% of net assets | | |
| Airlines - 15.17% | | |
| 104,794 | Avianca Holdings, SA Spon ADR | \$1,073,091 |
| 44,550 | Copa Holdings, S.A. | 3,679,385 |
| 21,515 | ERA Group Inc.* | 440,627 |
| 18,000 | Spirit Airlines, Inc.* | 1,117,800 |
| Banking and finance - 10.90% | | |
| 19,780 | Bancolombia, S.A. | 850,540 |
| 55,166 | Banco Latinoamericano de Exportaciones, S.A. | 1,775,242 |
| 6,000 | Bank of Nova Scotia | 309,780 |
| 22,643 | Evertec, Inc. | 480,937 |
| 29,000 | Popular Inc.* | 836,940 |
| 3,844 | W Holding Co. Inc.* ² | -- |
| 14,000 | Western Union Company | 284,620 |
| Communications - 8.78% | | |
| 44,690 | América Móvil, S.A.B. de C.V. ADR | 952,344 |
| 71,200 | América Móvil, S.A.B. de C.V. Series A | 71,742 |
| 209,144 | América Móvil, S.A.B. de C.V. Series L | 223,931 |
| 11,988 | Atlantic Tele-Network, Inc. | 828,131 |
| 518,210 | Fuego Enterprises Inc. (Note 3)* ^{1,2} | 246,150 |
| 210,994 | Grupo Radio Centro S.A.B. de C.V.* ^{1,2} | 160,827 |
| 28,400 | Grupo Televisa, S.A.B. ADR | 1,102,488 |
| 10,030 | Spanish Broadcasting System, Inc.* | 67,702 |
| Conglomerates and holding companies - 0.04% | | |
| 250,000 | Admiralty Holding Company* ² | -- |
| 70,348 | BCB Holdings Ltd.* | 8,851 |
| 3,250 | Marlowe Holdings Ltd.* | 6,133 |
| Construction and related - 11.64% | | |
| 146,372 | Cemex S.A.B. de C.V. ADR | 1,340,768 |
| 65,264 | Cemex S.A.B. de C.V. Series CPO | 59,979 |
| 20 | Ceramica Carabobo Class A ADR* ² | -- |
| 3,000 | Martin Marietta Materials | 424,530 |
| 134,927 | MasTec, Inc.* | 2,680,999 |
| 4,000 | Vulcan Materials | 335,720 |

See accompanying notes to the financial statements.

Schedule of Investments as of June 30, 2015 (continued)

| Shares or Principal Amount | Description | Fair Value |
|---|---|------------|
| Consumer products and related manufacturing - 3.00% | | |
| 327,290 | Grupo Casa Saba, S.A.B. de C.V.* ² | \$-- |
| 10,100 | Watsco Incorporated | 1,249,774 |
| Food, beverages and tobacco - 4.91% | | |
| 53,874 | Cleanpath Resources Corp.* | 5 |
| 8,799 | Coca Cola Femsa, S.A.B. de C.V. ADR | 699,081 |
| 18,900 | Fomento Económico Mexicano, S.A.B. de C.V. Series UBD | 168,684 |
| 11,000 | Fomento Económico Mexicano, S.A.B. de C.V. ADR | 979,990 |
| 5,000 | Fresh Del Monte Produce Inc. | 193,300 |
| Housing - 5.46% | | |
| 44,500 | Lennar Corporation | 2,271,280 |
| Investment companies - 1.45% | | |
| 6,000 | iShares MSCI Mexico Capped ETF | 342,660 |
| 800 | Latin American Discovery Fund | 8,224 |
| 1,637 | Mexico Equity & Income Fund | 20,102 |
| 5,000 | Mexico Fund Inc. | 105,850 |
| 6,279 | Salient Midstream & MLP Fund | 126,647 |
| 70,348 | Waterloo Investment Holdings Ltd.* ² | -- |
| Leisure - 16.75% | | |