

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

**FORM N-2  
REGISTRATION STATEMENT  
UNDER**

**THE SECURITIES ACT OF 1933**

Check the appropriate box or boxes:

- Pre-Effective Amendment No.  
 Post-Effective Amendment No.

**PORTMAN RIDGE FINANCE CORPORATION**

(Exact Name of Registrant as Specified in Charter)

650 Madison Avenue  
3<sup>rd</sup> Floor  
New York, NY 10022  
(Address of Principal Executive Offices)

(212) 891-2880  
(Registrant's Telephone Number, Including Area Code)

Edward Goldthorpe  
President and Chief Executive Officer  
650 Madison Avenue  
3<sup>rd</sup> Floor  
New York, NY 10022  
(Name and Address of Agent for Service)

**COPIES TO:**

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**Approximate date of proposed public offering:** From time to time after the effective date of this registration statement.

- Check box if the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans.  
 Check box if any securities being registered on this Form will be offered on a delayed or continuous basis in reliance on Rule 415 under the Securities Act of 1933 ("Securities Act"), other than securities offered in connection with a dividend reinvestment plan.  
 Check box if this Form is a registration statement pursuant to General Instruction A.2 or a post-effective amendment thereto.  
 Check box if this Form is a registration statement pursuant to General Instruction B or a post-effective amendment thereto that will become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act.  
 Check box if this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction B to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act.

**It is proposed that this filing will become effective (check appropriate box):**

- when declared effective pursuant to Section 8(c) of the Securities Act.

**Check each box that appropriately characterizes the Registrant:**

- Registered Closed-End Fund (closed-end company that is registered under the Investment Company Act of 1940 ("Investment Company Act")).  
 Business Development Company (closed-end company that intends or has elected to be regulated as a business development company under the Investment Company Act).  
 Interval Fund (Registered Closed-End Fund or a Business Development Company that makes periodic repurchase offers under Rule 23c-3 under the Investment Company Act).
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- A.2 Qualified (qualified to register securities pursuant to General Instruction A.2 of this Form).  
 Well-Known Seasoned Issuer (as defined by Rule 405 under the Securities Act).  
 Emerging Growth Company (as defined by Rule 12b-2 under the Securities Exchange Act of 1934 ("Exchange Act")).  
 If an Emerging Growth Company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.  
 New Registrant (registered or regulated under the Investment Company Act for less than 12 calendar months preceding this filing).

PROSPECTUS SUBJECT TO COMPLETION DATED November 25, 2024

# PORTMAN RIDGE

**\$500,000,000**

## **PORTMAN RIDGE FINANCE CORPORATION**

**Common Stock  
Preferred Stock  
Warrants  
Subscription Rights  
Debt Securities**

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Portman Ridge Finance Corporation, or “we” “us” or the “Company”, is an externally managed, non-diversified closed-end investment company that has elected to be regulated as a business development company (“BDC”), under the Investment Company Act of 1940 (the “1940 Act”). Subject to the overall supervision of the Board of Directors of the Company (the “Board”), Sierra Crest Investment Management LLC (the “Adviser”) is responsible for managing our business and activities, including sourcing investment opportunities, conducting research, performing diligence on potential investments, structuring our investments, and monitoring our portfolio companies on an ongoing basis through a team of investment professionals. The Adviser is an affiliate of BC Partners LLP, or BC Partners.

We originate, structure, and invest in secured term loans, bonds or notes and mezzanine debt primarily in privately-held middle market companies but may also invest in other investments such as loans to publicly-traded companies, high-yield bonds, and distressed debt securities (collectively, the “Debt Securities Portfolio”). We also invest in joint ventures and debt and subordinated securities issued by collateralized loan obligation funds (“CLO Fund Securities”). In addition, from time to time we may invest in the equity securities of privately held middle market companies and may also receive warrants or options to purchase common stock in connection with our debt investments.

In our Debt Securities Portfolio, our investment objective is to generate current income and, to a lesser extent, capital appreciation from the investments in senior secured term loans, mezzanine debt and selected equity investments in privately-held middle market companies. We define the middle market as comprising companies with EBITDA (earnings before interest, taxes, depreciation and amortization) of \$10 million to \$50 million and/or total debt of \$25 million to \$150 million. We primarily invest in first and second lien term loans which, because of their priority in a company’s capital structure, we expect will have lower default rates and higher rates of recovery of principal if there is a default and which we expect will create a stable stream of interest income. The first lien term loans may include traditional first lien senior secured loans or unitranche loans. Unitranche loans combine characteristics of traditional first lien senior secured loans as well as second lien and/or mezzanine debt, or junior debt. Unitranche loans will expose us to the risks associated with first lien loans and junior debt. While there is no specific collateral associated with senior unsecured debt, such positions are senior in payment priority over subordinated debt investments. The investments in our Debt Securities Portfolio are all or predominantly below investment grade, and have speculative characteristics with respect to the issuer’s capacity to pay interest and repay principal.

From time-to-time we have also made investments in CLO Fund Securities managed by other asset managers. Our collateralized loan obligation funds (“CLO Funds”) typically invest in broadly syndicated loans, high-yield bonds and other credit instruments.

Our portfolio may include “covenant-lite” loans which generally refer to loans that do not have a complete set of financial maintenance covenants. Generally, “covenant-lite” loans provide borrower companies more freedom to negatively impact lenders because their covenants are incurrence-based, which means they are only tested and can only be breached following an affirmative action of the borrower, rather than by a deterioration in the borrower’s financial condition. Accordingly, to the extent we invest in “covenant-lite” loans, we may have fewer rights against a borrower and may have a greater risk of loss on such investments as compared to investments in or exposure to loans with financial maintenance covenants.

We have elected to be treated for U.S. federal income tax purposes as a registered investment corporation (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”), and intend to operate in a manner to maintain our RIC status. As a RIC, we intend to distribute to our stockholders substantially all of our net ordinary taxable income and the excess of realized net short-term capital gains over realized net long-term capital losses, if any, for each year. To qualify

as a RIC, we must, among other things, meet certain source-of-income and asset diversification requirements. Pursuant to this election, we generally will not have to pay corporate-level U.S. federal income taxes on any income that we timely distribute to our stockholders.

From time to time, we may seek to retire, repurchase, or exchange debt securities in open market purchases or by other means dependent on market conditions, liquidity, contractual obligations, and other matters. In addition, we evaluate strategic opportunities available to us, including mergers with unaffiliated funds and affiliated funds, divestures, spin-offs, joint ventures and other similar transactions from time to time.

We may offer, from time to time, in one or more offerings or series, up to \$500,000,000 of our common stock, preferred stock, debt securities, subscription rights to purchase shares of our common stock, and/or warrants representing rights to purchase shares of our common stock, preferred stock or debt securities, which we refer to, collectively, as the "securities". The preferred stock, debt securities, subscription rights and warrants offered hereby may be convertible or exchangeable into shares of our common stock. The securities may be offered at prices and on terms to be described in one or more supplements to this prospectus.

In the event we offer common stock, the net proceeds we receive on a per share basis, before offering expenses, will generally not be less than the net asset value ("NAV") per share of our common stock at the time we make the offering. However, we may receive net proceeds on a per share basis, before offering expenses, that are less than our NAV per share (i) in connection with a rights offering to our existing stockholders, (ii) with the prior approval of the majority (as defined in the 1940 Act) of our common stockholders or (iii) under such other circumstances as the Securities and Exchange Commission (the "SEC") may permit.

The securities may be offered directly to one or more purchasers, including existing stockholders in a rights offering, or through agents designated from time to time by us, or to or through underwriters or dealers. Each prospectus supplement relating to an offering will identify any agents or underwriters involved in the sale of the securities, and will disclose any applicable purchase price, fee, discount or commissions arrangement between us and our agents or underwriters or among our underwriters or the basis upon which such amount may be calculated. See "*Plan of Distribution*."

Our common stock is traded on the NASDAQ Global Select Market, or NASDAQ, under the symbol "PTMN." The reported closing price for our common stock on November 21, 2024 was \$17.03 per share.

**Shares of closed-end investment companies, including BDCs, frequently trade at a discount to their NAV. If our shares trade at a discount to our NAV, it will likely increase the risk of loss for purchasers in an offering made pursuant to this prospectus or any related prospectus supplement.**

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**Investing in our securities involves a high degree of risk. Before investing in our securities, you should review carefully the risks and uncertainties, including the risk of leverage and dilution, described in the section titled "*Risk Factors*" beginning on page 6 of this prospectus or otherwise incorporated by reference herein and included in, or incorporated by reference into, the applicable prospectus supplement and in any free writing prospectuses we have authorized for use in connection with a specific offering, and under similar headings in the other documents that are incorporated by reference into this prospectus.**

This prospectus describes some of the general terms that may apply to an offering of our securities. We will provide the specific terms of these offerings and securities in one or more supplements to this prospectus. We may also authorize one or more free writing prospectuses to be provided to you in connection with these offerings. The accompanying prospectus supplement and any related free writing prospectus may also add, update, or change information contained in this prospectus. You should carefully read this prospectus, the accompanying prospectus supplement, any related free writing prospectus and the documents incorporated by reference herein, before investing in our securities and keep them for future reference. We file annual, quarterly and current reports, proxy statements and other information with the SEC. The SEC also maintains a website at <http://www.sec.gov> that contains such information. This information is also available free of charge by contacting us at 650 Madison Avenue, 3<sup>rd</sup> Floor, New York, New York 10022, Attention: Investor Relations, or by calling us collect at (212) 891-2880 or on our website at <http://www.portmanridge.com>. Information contained on our website is not incorporated by reference into this prospectus or any supplement to this prospectus and you should not consider that information to be part of this prospectus or any supplement hereto.

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

**This prospectus may not be used to consummate sales of securities unless accompanied by a prospectus supplement.**

The date of this prospectus is [                 ], 2024

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## ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission (the "SEC"), using the "shelf" registration process. Under this shelf registration statement, we may offer, from time to time, in one or more offerings, up to \$500,000,000 of our common stock, preferred stock, debt securities, subscription rights to purchase shares of our common stock, and/or warrants representing rights to purchase shares of our common stock, preferred stock or debt securities, on terms to be determined at the time of the offering. See "*Plan of Distribution*" for more information.

This prospectus provides you with a general description of the securities that we may offer. Each time we use this prospectus to offer securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. We may also authorize one or more free writing prospectuses to be provided to you that may contain material information relating to these offerings. In a prospectus supplement or free writing prospectus, we may also add, update, or change any of the information contained in this prospectus or in the documents we have incorporated by reference into this prospectus. This prospectus, together with the applicable prospectus supplement, any related free writing prospectus, and the documents incorporated by reference into this prospectus and the applicable prospectus supplement, will include all material information relating to the applicable offering. Before buying any of the securities being offered, please carefully read this prospectus, any accompanying prospectus supplement, any free writing prospectus and the documents incorporated by reference in this prospectus and any accompanying prospectus supplement.

This prospectus may contain estimates and information concerning our industry, including market size and growth rates of the markets in which we participate, that are based on industry publications and other third-party reports. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and reports. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described or referenced in the section titled "*Risk Factors*," that could cause results to differ materially from those expressed in these publications and reports.

This prospectus includes summaries of certain provisions contained in some of the documents described in this prospectus, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Copies of some of the documents referred to herein have been filed or incorporated by reference, or will be filed or incorporated by reference, as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described in the section titled "*Available Information*." Except for the documents incorporated by reference into this prospectus and any accompanying prospectus supplement, the references in this prospectus to the SEC's website are not intended to and do not include or incorporate by reference into this prospectus the information on that website. Similarly, references to our website are not intended to and do not include or incorporate by reference into this prospectus the information on that website.

**You should rely only on the information included or incorporated by reference in this prospectus, any prospectus supplement or in any free writing prospectus prepared by us or on our behalf or to which we have referred you. We have not authorized any dealer, salesperson or other person to provide you with different information or to make representations as to matters not stated in this prospectus, in any accompanying prospectus supplement or in any free writing prospectus prepared by us or on our behalf or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus, any accompanying prospectus supplement and any free writing prospectus prepared by us or on our behalf or to which we have referred you do not constitute an offer to sell, or a solicitation of an offer to buy, any securities by any person in any jurisdiction where it is unlawful for that person to make such an offer or solicitation or to any person in any jurisdiction to whom it is unlawful to make such an offer or solicitation. You should not assume that**

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

## PROSPECTUS SUMMARY

This summary highlights certain information contained elsewhere in this prospectus or incorporated by reference into this prospectus. It is not complete and may not contain all of the information that you may want to consider before investing in our securities. You should carefully read the entire prospectus, the applicable prospectus supplement, and any related free writing prospectus, including the risks of investing in our securities discussed in the section titled “*Risk Factors*” in the applicable prospectus supplement and any related free writing prospectus, and under similar headings in the other documents that are incorporated by reference into this prospectus and the applicable prospectus supplement. Before making your investment decision, you should also carefully read the information incorporated by reference into this prospectus, including our financial statements and related notes, and the exhibits to the registration statement of which this prospectus is a part. Any yield information contained or incorporated by reference in this prospectus related to investments in our investment portfolio is not intended to approximate a return on your investment in us and does not take into account other aspects of our business, including our operating and other expenses, or other costs incurred by you in connection with your investment in us.

Except as otherwise indicated in this prospectus, the terms:

- “we,” “us,” “our,” “PTMN,” “Company” and “Portman Ridge” refer to Portman Ridge Finance Corporation, a Delaware corporation, and its wholly owned subsidiaries;
- “Adviser” or “Sierra Crest” refers to Sierra Crest Investment Management LLC, a Delaware limited liability company, our investment adviser and an affiliate of BC Partners LLP, or BC Partners; and
- “Administrator” refers to BC Partners Management LLC, a Delaware limited liability company, our administrator and an affiliate of BC Partners and BC Partners Advisors L.P.

### Portman Ridge Finance Corporation

Formerly known as KCAP Financial, Inc., we are an externally managed, non-diversified closed-end investment company that has elected to be regulated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). The Company was formed as a Delaware limited liability company on August 8, 2006 and, prior to the issuance of shares of the Company’s common stock in its initial public offering (“IPO”), converted to a corporation incorporated in Delaware on December 11, 2006.

We originate, structure, and invest in secured term loans, bonds or notes and mezzanine debt primarily in privately-held middle market companies but may also invest in other investments such as loans to publicly-traded companies, high-yield bonds, and distressed debt securities (collectively, the “Debt Securities Portfolio”). We also invest in joint ventures and debt and subordinated securities issued by collateralized loan obligation funds (“CLO Fund Securities”). In addition, from time to time, we may invest in the equity securities of privately held middle market companies and may also receive warrants or options to purchase common stock in connection with our debt investments.

In our Debt Securities Portfolio, our investment objective is to generate current income and, to a lesser extent, capital appreciation from the investments in senior secured term loans, mezzanine debt and selected equity investments in privately-held middle market companies. We define the middle market as comprising companies with earnings before interest, taxes, depreciation and amortization (“EBITDA”) of \$10 million to \$50 million and/or total debt of \$25 million to \$150 million. We primarily invest in first and second lien term loans which, because of their priority in a company’s capital structure, we expect will have lower default rates and higher rates of recovery of principal if there is a default and which we expect will create a stable stream of

interest income. The investments in our Debt Securities Portfolio are all or predominantly below investment grade, and have speculative characteristics with respect to the issuer's capacity to pay interest and repay principal.

From time-to-time we have made investments in CLO Fund Securities managed by other asset managers. Our collateralized loan obligation funds ("CLO Funds") typically invest in broadly syndicated loans, high-yield bonds and other credit instruments.

We have elected to be treated and intend to continue to qualify as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). To qualify as a RIC, we must, among other things, meet certain source-of-income, asset diversification and annual distribution requirements. As a RIC, we generally will not have to pay corporate-level U.S. federal income taxes on any income that we distribute in a timely manner to our stockholders.

#### **Our Adviser**

Our investment activities are managed by our Adviser, which is registered as an investment adviser under the Investment Advisers Act of 1940, as amended, or the Advisers Act, and is an affiliate of BC Partners. Subject to the overall supervision of the Board of Directors of the Company (the "Board"), the Adviser is responsible for managing the Company's assets in accordance with our investment objective, policies and restrictions, determining the composition of the Company's portfolio, the nature and timing of the changes to the portfolio and the manner of implementing such changes, identifying, evaluating and negotiating the structure of the Company's investments, monitoring the Company's investments, determining the securities and other assets that the Company will purchase, retain or sell, determining the fair valuation of the Company's assets, directing investment professionals of the Adviser to provide managerial assistance to the Company's portfolio companies and performing due diligence on prospective portfolio companies. Under the investment advisory agreement we have entered into with our Adviser (the "Investment Advisory Agreement"), we pay our Adviser a base management fee and an incentive fee for its services.

The Adviser seeks to invest on our behalf in performing, well-established middle market businesses that operate across a wide range of industries (i.e., no concentration in any one industry). The Adviser employs fundamental credit analysis, targeting investments in businesses with relatively low levels of cyclicity and operating risk. The holding size of each position will generally be dependent upon a number of factors including total facility size, pricing and structure, and the number of other lenders in the facility. The Adviser has experience managing levered vehicles, both public and private, and seeks to enhance our returns through the use of leverage with a prudent approach that prioritizes capital preservation. The Adviser believes this strategy and approach offers attractive risk/return with lower volatility given the potential for fewer defaults and greater resilience through market cycles.

BC Partners has been a leader in private markets investing for over 35 years and currently has approximately €40bn in assets under management through its offices in London, Paris, Hamburg and New York. The BC Partners organization comprises a private equity platform (hereinafter referred to as "BCP PE"), a credit platform ("BCP Credit" or "BC Partners Credit") and a real estate platform ("BCP RE"), all operating as integrated businesses within the overall BC Partners organization.

#### **Our Administrator**

Under the terms of the Administration Agreement between us and the Administrator (the "Administration Agreement"), the Administrator will perform, or oversee the performance of, required administrative services, which includes providing office space, equipment and office services, maintaining financial records, preparing



reports to stockholders and reports filed with the SEC, and managing the payment of expenses and the performance of administrative and professional services rendered by others. We will reimburse the Administrator for services performed for us pursuant to the terms of the Administration Agreement. We pay the Administrator an amount equal to our allocable portion of the Administrator's overhead resulting from its obligations under the Administration Agreement, including rent and the allocable portion of the cost of our Chief Compliance Officer and Chief Financial Officer and their respective staffs. In addition, pursuant to the terms of the Administration Agreement, the Administrator may delegate its obligations under the Administration Agreement to an affiliate or to a third party and we will reimburse the Administrator for any services performed for us by such affiliate or third party.

Payments under the Administration Agreement are equal to an amount that reimburses the Administrator for its costs and expenses in performing its obligations and providing personnel and facilities (including rent, office equipment and utilities) for our use under the Administration Agreement, including our allocable portion of the compensation paid to our chief compliance officer and chief financial officer and their respective staff who provide services to us. The Board, including the directors that are not "interested persons" as defined in the 1940 Act (the "Independent Directors"), will review the general nature of the services provided by the Administrator as well as the related cost to us for those services and consider whether the cost is reasonable in light of the services provided.

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**FEEES AND EXPENSES**

Information about the Company's fees and expenses may be found in the "*Item 9B. Other Information — Fees and Expenses*" section of the Company's most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2023, filed with the SEC on March 13, 2024 ("most recent Annual Report on Form 10-K"), which is incorporated by reference herein.

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**FINANCIAL HIGHLIGHTS**

The information in “*Item 9B. Other Information — Financial Highlights*” in our most recent Annual Report on Form 10-K and the “*Consolidated Financial Highlights*” in our audited consolidated financial statements appearing in our most recent Annual Report on Form 10-K is incorporated by reference herein.

## RISK FACTORS

Investing in our securities involves a high degree of risk. Before deciding whether to invest in our securities, you should carefully consider the risks and uncertainties described in the section titled “*Risk Factors*” in the applicable prospectus supplement and any related free writing prospectus, and discussed in the section titled “*Risk Factors*” in our most recent Annual Report on Form 10-K, our subsequently filed Quarterly Reports on Form 10-Q, and any subsequent filings we have made or will make with the SEC that are incorporated by reference into this prospectus, together with other information in this prospectus, the documents incorporated by reference herein, and any applicable prospectus supplement or free writing prospectus, including documents incorporated therein, that we may authorize for use in connection with this offering. The risks described in these documents are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that adversely affect our business, financial condition and/or operating results. Past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results or trends in future periods. If any of these risks actually occurs, our business, reputation, financial condition, results of operations, revenue, and future prospects could be seriously harmed. This could cause our net asset value (“NAV”) and the trading price of our securities to decline, resulting in a loss of all or part of your investment. Please also read carefully the section titled “*Cautionary Statement Regarding Forward-Looking Statements*.”

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of our most recent Annual Report on Form 10-K and the information in "Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" of our most recent Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2024, filed with the SEC on November 12, 2024 ("most recent Quarterly Report on Form 10-Q") are incorporated by reference herein.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the documents that we incorporate by reference herein, contains, and any applicable prospectus supplement or free writing prospectus, including the documents we incorporate by reference therein, may contain forward-looking statements, including statements regarding our future financial condition, business strategy, and plans and objectives of management for future operations. We generally identify forward-looking statements by terminology such as "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential," or "continue" or the negative of these terms or other similar words, although not all forward-looking statements include these words. Important assumptions include our ability to originate new investments, achieve certain margins and levels of profitability, the availability of additional capital, our ability to successfully and profitably integrate acquired assets and companies, and the ability to maintain certain debt to asset ratios. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this prospectus, should not be regarded as a representation by us that our plans or objectives will be achieved.

The forward-looking statements contained or incorporated by reference in this prospectus and any applicable prospectus supplement or free writing prospectus may include statements as to:

- our future operating results;
- our business prospects and the prospects of our existing and prospective portfolio companies;
- the return or impact of current and future investments;
- our contractual arrangements and other relationships with third parties;
- the dependence of our future success on the general economy and its impact on the industries in which we invest;
- the financial condition and ability of our existing and prospective portfolio companies to achieve their objectives;
- our expected financings and investments;
- our regulatory structure and tax treatment;
- our ability to operate as a business development company and a regulated investment company, including the impact of changes in laws or regulations governing our operations or the operations of our portfolio companies;
- the adequacy of our cash resources and working capital;
- the timing of cash flows, if any, from the operations of our portfolio companies;
- the impact of a protracted decline in the liquidity of credit markets on our business;
- the impact of fluctuations in interest rates on our business;
- the valuation of our investments in portfolio companies, particularly those having no liquid trading market;
- our ability to recover unrealized losses;
- market conditions and our ability to access additional capital; and
- the timing, form and amount of any dividend distributions.

We have based the forward-looking statements included in this prospectus and will base the forward-looking statements included in any accompanying prospectus supplement on information available to us on the date of this prospectus and any accompanying prospectus supplement, as appropriate, and we assume no

obligation to update any such forward-looking statements, except as required by law. These statements are inherently uncertain and investors are cautioned not to unduly rely on these statements. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you or through reports that we in the future may file with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

## USE OF PROCEEDS

Unless otherwise specified in a prospectus supplement or in any free writing prospectus we have authorized for use in connection with a specific offering, we intend to use any net proceeds we receive from the sale of securities pursuant to this prospectus for general corporate purposes, which includes making new investments in accordance with our investment objective and strategies, paying operating expenses, including advisory and administrative fees and expenses and reducing the amount of any of our outstanding borrowings, and other expenses such as the due diligence expenses associated with potential new investments.

We anticipate that substantially all of the net proceeds of an offering of securities pursuant to this prospectus and a related prospectus supplement will be used for the above purposes within three months of any such offering, depending on the availability of appropriate investment opportunities consistent with our investment objective, but no longer than within six months of any such offerings.

Pending any new investments we may make or the payment of expenses described above, we intend to invest any net proceeds from an offering primarily in cash, cash equivalents, U.S. government securities and other high-quality investment grade investments that mature in one year or less from the date of investment. The income we earn on such temporary investments will generally be significantly less than what we would expect to receive from investments in the types of investments we intend to target. Our ability to achieve our investment objective may be limited to the extent that the net proceeds from an offering, pending full investment, are held in interest-bearing deposits or other short-term instruments. The prospectus supplement relating to an offering will more fully identify the use of proceeds from any offering.



**PRICE RANGE OF COMMON STOCK**

Our common stock is traded on the NASDAQ under the symbol "PTMN." The following table sets forth, for each fiscal quarter during the last two fiscal years and the current fiscal year to date, the NAV per share of our common stock, the high and low closing sales prices for our common stock and such sales prices as a percentage of NAV per share.

Period	Closing Sale Prices(2)			Premium / (Discount) of High Sale Price to NAV(3)	Premium / (Discount) of Low Sale Price to NAV(3)
	NAV(1)	High	Low		
Fourth quarter of 2024 (as of November 21, 2024)	*	\$18.70	\$16.97	*	*
Third quarter of 2024	\$20.36	\$ 19.86	\$ 18.15	(2.46)%	(10.85)%
Second quarter of 2024	\$21.21	\$ 20.49	\$ 18.97	(3.39)%	(10.56)%
First quarter of 2024	\$22.57	\$ 19.50	\$ 18.20	(13.60)%	(19.36)%
Fourth quarter of 2023	\$22.76	\$ 19.30	\$ 16.55	(15.20)%	(27.28)%
Third quarter of 2023	\$22.65	\$ 20.81	\$ 18.88	(8.12)%	(16.64)%
Second quarter of 2023	\$22.54	\$ 21.10	\$ 18.86	(6.39)%	(16.33)%
First quarter of 2023	\$23.56	\$ 23.39	\$ 20.28	(0.70)%	(13.91)%
Fourth quarter of 2022	\$24.23	\$ 23.00	\$ 19.61	(5.08)%	(19.07)%
Third quarter of 2022	\$26.18	\$ 24.38	\$ 20.00	(6.88)%	(23.61)%
Second quarter of 2022	\$27.26	\$ 24.08	\$ 21.86	(11.66)%	(19.80)%
First quarter of 2022	\$28.76	\$ 25.15	\$ 23.29	(12.55)%	(19.02)%

- (1) NAV per share is determined as of the last day in the relevant quarter and therefore may not reflect the NAV per share on the date of the high and low sales prices. The NAVs shown are based on outstanding shares at the end of each period.
- (2) Closing sales price as provided by the NASDAQ.
- (3) Calculated as of the respective high or low closing sales price divided by the quarter end NAV.
- \* Not determinable at the time of filing.

On November 21, 2024, the reported closing sales price of our common stock was \$17.03 per share. As of October 31, 2024, we had 47 stockholders of record, which did not include stockholders for whom shares are held in "nominee" or "street name".

Shares of BDCs may trade at a market price that is less than the value of the net assets attributable to those shares. The possibility that our shares of common stock will trade at a discount from NAV per share or at premiums that are unsustainable over the long term are separate and distinct from the risk that our NAV per share will decrease. It is not possible to predict whether our common stock will trade at, above, or below NAV per share. Since our initial public offering in December 2006, our shares of common stock have traded at prices both less than and exceeding our NAV per share.

## SENIOR SECURITIES

Information about our senior securities as of the end of each of our last ten fiscal years can be found under “*Notes to Consolidated Financial Statements — Note 6. Borrowings — Senior Securities*” in our most recent Annual Report on Form 10-K, which is incorporated by reference herein. Information about our senior securities as of September 30, 2024 can be found under “*Notes to Consolidated Financial Statements — Note 6. Borrowings — Senior Securities*” in our most recent Quarterly Report on Form 10-Q, which is incorporated by reference herein.

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**BUSINESS**

The information in “*Item 1. Business*” of our most recent Annual Report on Form 10-K is incorporated by reference herein.

**PORTFOLIO COMPANIES**

The following table sets forth certain information as of September 30, 2024, for each portfolio company in which we had an investment. Amounts are presented in thousands, except share and per share amounts. Percentages shown for class of securities held by the Company represent percentage of the class owned and do not necessarily represent voting ownership or economic ownership. Other than these investments, our only formal relationships with our portfolio companies are the significant managerial assistance that we may provide upon request and the board observation or participation rights we may receive in connection with our investment. As defined by the 1940 Act, we do not “control” any of the portfolio companies, except as indicated below. In general, under the 1940 Act, we would be presumed to “control” a portfolio company if we owned more than 25% of its voting securities and would be an “affiliate” of a portfolio company if we owned more than 5% of its outstanding voting securities.

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
<b>Investments in Non-Control, Non-Affiliate Portfolio Companies - 190.2%</b>												
<b>First Lien/Senior Secured Debt - 164.2%</b>												
Accordion Partners LLC	31 West 52nd Street, 16th Floor, New York, NY 10019	Finance	First Lien/Senior Secured Debt	SOFR + 6.27%	10.93%	08/29/2029		9,401	9,266	9,368	5.0%	(13)
Accordion Partners LLC (Revolver)	31 West 52nd Street, 16th Floor, New York, NY 10019	Finance	First Lien/Senior Secured Debt	SOFR + 6.25%	11.35%	08/31/2028		765	743	759	0.4%	(20)
Accurate Background, LLC	200 Spectrum Center Drive Suite 1100, Irvine, CA 92618	Services: Business	First Lien/Senior Secured Debt	SOFR + 6.00%	10.87%	03/26/2029		4,379	4,177	4,330	2.3%	(13)
Advantage Capital Holdings LLC	415 Bedford Road - Suite 102, Pleasantville, NY 10570	Banking, Finance, Insurance & Real Estate	First Lien/Senior Secured Debt	13.00%, 5.00% PIK	13%	04/14/2027		14,972	14,754	14,385	7.7%	(13)
AIDC IntermediateCo 2, LLC (Peak Technologies)	901 Elkridge Landing Rd Suite 300, Linthicum Heights, MD 21090	Services: Business	First Lien/Senior Secured Debt	SOFR + 5.25%	10.53%	07/22/2027		983	973	969	0.5%	(13)

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
AMCP Pet Holdings, Inc.	801 Crescent Center Drive, Franklin, TN 37067	Beverage, Food and Tobacco	First Lien/Senior Secured Debt	SOFR + 6.25%, 0.75% PIK	11.95%	10/06/2026		4,860	4,817	4,757	2.5%	(13)
AMCP Pet Holdings, Inc. (Revolver)	801 Crescent Center Drive, Franklin, TN 37067	Beverage, Food and Tobacco	First Lien/Senior Secured Debt	SOFR + 6.25%, 0.75% PIK	11.67%	10/06/2026		1,005	998	984	0.5%	
American Academy Holdings, LLC	2222 Sedwick Drive, Durham, NC 27713	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 4.50%, 5.25% PIK	14.62%	06/30/2027		3,888	3,881	3,894	2.1%	(13)
Ancile Solutions, Inc.	6085 Marshalee Drive Suite 300, Elkridge, MD 21075	High Tech Industries	First Lien/Senior Secured Debt	SOFR + 10.00%	15.21%	06/11/2026		6,100	6,041	6,252	3.3%	(13)
Anthem Sports & Entertainment Inc.	8269 E. 23rd Ave, Denver, CO 80238	Media: Broadcasting & Subscription	First Lien/Senior Secured Debt	SOFR + 9.50%, 12.10% PIK	15.10%	11/15/2026		13,315	13,198	9,771	5.2%	(13)
Anthem Sports & Entertainment Inc. (Revolver)	8269 E. 23rd Ave, Denver, CO 80238	Media: Broadcasting & Subscription	First Lien/Senior Secured Debt	SOFR + 9.50%, 12.10% PIK	14.37%	11/15/2026		1,187	1,176	849	0.5%	(20)
Anthem Sports & Entertainment Inc. (Revolver 2022)	8269 E. 23rd Ave, Denver, CO 80238	Media: Broadcasting & Subscription	First Lien/Senior Secured Debt	SOFR + 9.50%, 12.10% PIK	15.07%	06/30/2024		563	563	413	0.2%	
Appfire Technologies, LLC	1500 District Ave, Burlington, MA 01803	High Tech Industries	First Lien/Senior Secured Debt	SOFR + 4.75%	9.35%	03/09/2028		5,847	5,842	5,835	3.1%	(13)
BetaNXT, Inc.	55 Broadway, 8th Floor, New York, NY 10006	Banking, Finance, Insurance & Real Estate	First Lien/Senior Secured Debt	SOFR + 5.75%	10.35%	07/01/2029		12,512	11,959	12,009	6.4%	(13)
BetaNXT, Inc. (Revolver)	55 Broadway, 8th Floor, New York, NY 10006	Banking, Finance, Insurance & Real Estate	First Lien/Senior Secured Debt	SOFR + 4.44%	9.46%	07/01/2027		1,159	1,159	1,062	0.6%	(20)
Bradshaw International Parent Corp.	9409 Buffalo Ave, Rancho Cucamonga, CA 91730	Consumer goods: Durable	First Lien/Senior Secured Debt	SOFR + 5.75%	10.70%	10/21/2027		492	486	487	0.3%	(13)
Bradshaw International Parent Corp. (Revolver)	9409 Buffalo Ave, Rancho Cucamonga, CA 91730	Consumer goods: Durable	First Lien/Senior Secured Debt	SOFR + 5.75%	10.76%	10/21/2026		307	284	298	0.2%	(20)

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
Bristol Hospice	12404 Park Central Drive, Suite 400S, Dallas, TX 75251	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 5.25%	10.20%	12/22/2026		2,785	2,767	2,785	1.5%	(13)
C.P. Converters, Inc.	15 Grumbacher Road, York, PA 17406	Chemicals, Plastics and Rubber	First Lien/Senior Secured Debt	SOFR + 7.49%, 1.00% PIK	13.46%	11/15/2024		9,956	9,956	9,458	5.0%	(13)
CB MIDCO, LLC	140 Summit St., Peabody, MA 01960	Consumer goods: Durable	First Lien/Senior Secured Debt	SOFR + 5.75%	10.70%	09/27/2027		3,772	3,753	3,558	1.9%	(13)
CCMG Buyer, LLC (Care Connectors Medical Group)	4695 MacArthur Court, Suite 1112A, Newport Beach, CA 92660	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 5.50%	10.61%	05/08/2030		3,159	3,122	3,151	1.7%	(13)
CCMG Buyer, LLC (Care Connectors Medical Group) (Revolver)	4695 MacArthur Court, Suite 1112A, Newport Beach, CA 92660	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 5.75%	—	05/08/2030		0	-6	-1	0.0%	(20)
Cenevel Clinical Research, Inc.	4516 S 700E, #230, Salt Lake City, UT 84107	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 6.00%	10.96%	11/08/2025		5,773	5,755	5,759	3.1%	(13)
Centric Brands Inc.	350 Fifth Ave, Empire State Building, 6th Floor New York, NY 10118	Machinery (Non-Agrclt/Constr/Electr)	First Lien/Senior Secured Debt	SOFR + 5.50%, 2.00% PIK	12.73%	08/06/2029		3,689	3,689	3,689	2.0%	(13)
Centric Brands Inc. (Term Loan A1)	350 Fifth Ave, Empire State Building, 6th Floor New York, NY 10118	Machinery (Non-Agrclt/Constr/Electr)	First Lien/Senior Secured Debt	SOFR + 6.50%	11.73%	02/06/2031		3,807	3,807	3,807	2.0%	
Centric Brands Inc. (Term Loan A2)	350 Fifth Ave, Empire State Building, 6th Floor New York, NY 10118	Machinery (Non-Agrclt/Constr/Electr)	First Lien/Senior Secured Debt	SOFR + 8.00%, 13.23% PIK	13.23%	02/06/2031		3,350	3,350	3,350	1.8%	
Colonnade Intermediate, LLC	800 Concar Drive, Suite 100, San Mateo, CA 94402	Services: Business	First Lien/Senior Secured Debt	—	—	04/27/2024		7,167	7,167	5,048	2.7%	(5)
Colonnade Intermediate, LLC (Revolver)	800 Concar Drive, Suite 100, San Mateo, CA 94402	Services: Business	First Lien/Senior Secured Debt	—	—	04/27/2024		685	685	483	0.3%	(5)

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
Critical Nurse Staffing, LLC	1114 N. 1st Street Suite 200, Grand Junction, CO 81501	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 6.50%	11.88%	10/30/2026		11,980	11,865	12,026	6.4%	(13)
Critical Nurse Staffing, LLC (Revolver)	1114 N. 1st Street Suite 200, Grand Junction, CO 81501	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 5.75%	—	10/30/2026		0	-35	8	0.0%	(20)
Datalink, LLC	14055 Riverview Dr Ste 600, Tampa, FL 33637	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 6.75%	12.15%	11/23/2026		2,659	2,633	2,456	1.3%	(13)
Dentive, LLC	466 W 4800 N Ste 380, Provo, Utah, 84604	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 6.75%	11.41%	12/26/2028		2,661	2,612	2,605	1.4%	(13)(20)
Dentive, LLC (Revolver)	466 W 4800 N Ste 380, Provo, Utah, 84604	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 6.75%	11.39%	12/23/2028		37	32	33	0.0%	(20)
Dodge Data & Analytics LLC	34 Crosby Drive Suite 202, Bedford, MA 01730	Construction & Building	First Lien/Senior Secured Debt	SOFR + 4.75%	9.35%	02/10/2029		1,466	1,452	1,094	0.6%	(13)(15)
Florida Food Products, LLC	1025 Greenwood Blvd, Suite 500, Lake Mary, FL 32746	Beverage, Food and Tobacco	First Lien/Senior Secured Debt	SOFR + 5.00%	9.93%	10/18/2028		6,840	6,729	6,023	3.2%	(13)(15)
Fortis Payment Systems, LLC	109 Innovation Court Suite J, Lake Mary, FL 32746	Diversified Financial Services	First Lien/Senior Secured Debt	SOFR + 5.25%	9.95%	02/13/2026		2,994	2,952	2,973	1.6%	(13)(20)
Franchise Group, Inc.	Delaware, OH 43015	Retail	First Lien/Senior Secured Debt	SOFR + 4.75%	10.39%	03/10/2026		2,907	2,900	1,885	1.0%	(13)(15)
Global Integrated Flooring Systems Inc.	9000 Regency Parkway Suite 400, Cary, NC 27518	Consumer goods: Durable	First Lien/Senior Secured Debt	SOFR + 8.36%, 1.00% PIK	14.70%	06/30/2025		6,521	5,801	3,540	1.9%	
Global Integrated Flooring Systems Inc. (Revolver)	9000 Regency Parkway Suite 400, Cary, NC 27518	Consumer goods: Durable	First Lien/Senior Secured Debt	SOFR + 8.36%	13.31%	06/30/2025		51	45	27	0.0%	
H.W. Lochner, Inc.	225 West Washington Street, 12th Floor, Chicago, IL 60606	Services: Business	First Lien/Senior Secured Debt	SOFR + 6.25%	11.72%	07/02/2027		14,550	14,416	14,295	7.6%	(13)

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
H.W. Lochner, Inc. (Revolver)	225 West Washington Street, 12th Floor, Chicago, IL 60606	Services: Business	First Lien/Senior Secured Debt	SOFR + 6.25%	11.23%	07/02/2027		8,000	7,927	7,860	4.2%	
H-CA II, LLC	P.O. Box 4980 Caguas, PR 00726	Banking, Finance, Insurance & Real Estate	First Lien/Senior Secured Debt	—	—	04/01/2024		1,808	1,808	1,804	1.0%	
HDC/HW Intermediate Holdings, LLC - Term Loan A	620 Division Street, Elizabeth, NJ 07207	High Tech Industries	First Lien/Senior Secured Debt	SOFR + 1.00%, 2.50% PIK	8.75%	06/21/2026		5,560	4,812	4,736	2.5%	
HDC/HW Intermediate Holdings, LLC - Term Loan B	620 Division Street, Elizabeth, NJ 07207	High Tech Industries	First Lien/Senior Secured Debt	—	—	06/21/2026		3,876	940	0	0.0%	(5)
Help Systems Holdings, Inc.	11095 Viking Drive Suite 100, Eden Prairie, MN 55344	High Tech Industries	First Lien/Senior Secured Debt	SOFR + 4.00%	8.95%	11/19/2026		1,959	1,867	1,873	1.0%	(13)(15)
Hollander Intermediate LLC	901 Yamato Road, Suite 250, Boca Raton, FL 33431	Consumer goods: Durable	First Lien/Senior Secured Debt	SOFR + 8.75%	13.71%	09/19/2026		5,548	5,462	4,772	2.5%	(13)
IDC Infusion Services LLC	1726 Cole Blvd, Suite 250, Lakewood, CO 80401	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 6.50%	11.55%	07/07/2028		2,906	2,843	2,861	1.5%	(13)(20)
Ivanti Software, Inc.	10377 South Jordan Gateway Suite 110, South Jordan, UT 84095	High Tech Industries	First Lien/Senior Secured Debt	SOFR + 4.25%	9.83%	12/01/2027		980	839	835	0.4%	(13)(15)
JO ET Holdings Limited	750 N San Vicente Blvd, West Hollywood, CA 90069	Telecommunications	First Lien/Senior Secured Debt	SOFR + 6.00%, 7.00% PIK	17.94%	12/15/2026		2,290	2,272	2,335	1.2%	(3)
Keg Logistics LLC	9110 E. Nichols Avenue, Suite 105, Centennial, CO 80112	Services: Business	First Lien/Senior Secured Debt	SOFR + 6.25%	11.47%	11/23/2027		11,907	11,814	11,717	6.2%	(13)
Keg Logistics LLC (Revolver)	9110 E. Nichols Avenue, Suite 105, Centennial, CO 80112	Services: Business	First Lien/Senior Secured Debt	SOFR + 6.25%	11.50%	11/23/2027		872	859	858	0.5%	



Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
Lifescan Global Corporation	825 East Middlefield Road, Mountain View, CA 94043 30736 Wiegman Road, Hayward, CA 94544	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 6.50%	11.73%	12/31/2026		2,219	2,133	924	0.5%	(13)(15)
Lumini LLC	30736 Wiegman Road, Hayward, CA 94544	Construction & Building	First Lien/Senior Secured Debt	SOFR + 7.35%	12.68%	04/11/2025		5,888	5,888	5,888	3.1%	(13)
Lumini LLC (Revolver)	3923 Rancho Drive, Ann Arbor, MI 48108	Construction & Building	First Lien/Senior Secured Debt	SOFR + 7.35%	12.68%	04/11/2025		343	343	343	0.2%	(13)(20)
MAG DS Corp.	10777 Westheimer Rd. Suite 1040, Houston, TX 77042	Aerospace and Defense	First Lien/Senior Secured Debt	SOFR + 5.50%	10.20%	04/01/2027		3,634	3,391	3,435	1.8%	(13)(15)
Money Transfer Acquisition Inc.	811 Louisiana St Ste 1020, Houston, TX 77002	Finance	First Lien/Senior Secured Debt	SOFR + 8.25%	13.20%	12/14/2027		8,672	8,560	8,487	4.5%	(13)
Morae Global Corporation	811 Louisiana St Ste 1020, Houston, TX 77002	IT Consulting & Other Services	First Lien/Senior Secured Debt	SOFR + 8.00%	13.43%	10/26/2026		2,206	2,106	2,164	1.2%	(13)
Morae Global Corporation (Revolver)	401 City Avenue, Bala Cynwyd, PA 19004	IT Consulting & Other Services	First Lien/Senior Secured Debt	SOFR + 8.00%	—	10/26/2026		0	-8	-4	0.0%	(20)
MSM Acquisitions, Inc.	675 Avenue of the Americas, New York, NY 10010	Services: Business	First Lien/Senior Secured Debt	SOFR + 6.00%	11.06%	12/09/2026		9,877	9,847	9,174	4.9%	(13)
Neptune Bidco US Inc.	6160 Warren Parkway, Suite 100, Frisco, TX, 75034	Media: Broadcasting & Subscription	First Lien/Senior Secured Debt	SOFR + 5.00%	10.40%	04/11/2029		2,469	2,272	2,324	1.2%	(13)(15)
Netwrix Corporation	6160 Warren Parkway, Suite 100, Frisco, TX, 75034	High Tech Industries	First Lien/Senior Secured Debt	SOFR + 5.50%	10.56%	06/09/2029		4,259	4,243	4,209	2.2%	(13)
Netwrix Corporation (Revolver)	601 Regency Drive, Glendale Heights, IL 60139	High Tech Industries	First Lien/Senior Secured Debt	SOFR + 5.00%	—	06/09/2029		0	-8	-14	0.0%	(20)
One Stop Mailing LLC	302 Innovation Drive Suite 400, Franklin, TN 37067	Transportation: Consumer	First Lien/Senior Secured Debt	SOFR + 6.25%	11.21%	04/29/2027		7,490	7,423	7,487	4.0%	(13)
PhyNet Dermatology LLC		Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 6.50%	11.78%	10/20/2029		1,297	1,269	1,283	0.7%	(20)

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
Pomeroy Technologies, LLC (Senior A)	1020 Petersburg Rd, Hebron, KY 41048	High Tech Industries	First Lien/Senior Secured Debt	—	—	04/04/2026		1,838	1,650	0	0.0%	(5)
Pomeroy Technologies, LLC (Senior B)	1020 Petersburg Rd, Hebron, KY 41048	High Tech Industries	First Lien/Senior Secured Debt	—	—	04/04/2026		1,680	1,542	0	0.0%	(5)
Pomeroy Technologies, LLC (Super Senior A)	1020 Petersburg Rd, Hebron, KY 41048	High Tech Industries	First Lien/Senior Secured Debt	—	10.00% PIK	04/04/2026		455	454	451	0.2%	
Pomeroy Technologies, LLC (Super Senior B)	1020 Petersburg Rd, Hebron, KY 41048	High Tech Industries	First Lien/Senior Secured Debt	—	9.00% PIK	04/04/2026		1,350	1,345	1,031	0.5%	
Premier Imaging, LLC	100 E campus View Blvd Ste 100, Columbus, OH 43084	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 7.57%	12.87%	01/02/2025		2,570	2,563	2,289	1.2%	(13)
Project Castle, Inc.	131 Griffin Way, Mt. Washington, KY 40047	Transportation: Cargo	First Lien/Senior Secured Debt	SOFR + 5.62%	10.91%	06/08/2029		3,027	2,812	2,778	1.5%	(13)(15)
Project Leopard Holdings, Inc.	15211 Laguna Canyon Road, Irvine, CA 92618	High Tech Industries	First Lien/Senior Secured Debt	SOFR + 5.25%	10.60%	07/20/2029		5,710	5,436	5,146	2.7%	(13)(15)
PVHC Holding Corp	41 Spring Street, New Providence, NJ 07974	Containers, Packaging and Glass	First Lien/Senior Secured Debt	SOFR + 6.00%, 0.75% PIK	11.54%	02/17/2027		2,731	2,730	2,680	1.4%	(13)
Radius Aerospace, Inc.	32125 Solon Road, Suite 100, Solon, OH 44139	Aerospace and Defense	First Lien/Senior Secured Debt	SOFR + 6.00%	10.75%	03/29/2027		6,079	6,068	6,033	3.2%	(13)
Reception Purchaser, LLC	951 Thorndale Avenue, Bensenville, IL 60106	Transportation: Cargo	First Lien/Senior Secured Debt	SOFR + 6.00%	10.75%	03/24/2028		4,394	4,327	2,065	1.1%	(13)(15)
Riskconnect Parent LLC	380 Interstate North Pkwy SE Suite 400, Atlanta, GA 30339	Application Software	First Lien/Senior Secured Debt	SOFR + 5.50%	10.25%	12/07/2028		1,219	1,164	1,154	0.6%	(13)(20)
Robertshaw US Holding Corp.	5425 Wisconsin Avenue, Suite 200, Chevy Chase, MD 20815	Capital Equipment	First Lien/Senior Secured Debt	—	0%	09/23/2024		147	140	147	0.1%	

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
South Street Securities Holdings, Inc	6800 East 163rd Street, Belton, MO 64012	Banking, Finance, Insurance & Real Estate	First Lien/Senior Secured Debt	—	9%	09/20/2027		3,150	2,838	2,489	1.3%	
Sundance Holdings Group, LLC	11726 San Vicente Blvd., Suite 300, Los Angeles, CA 90049	Retail	First Lien/Senior Secured Debt	SOFR + 7.82%, 1.68% PIK	14.81%	06/30/2025		6,639	6,638	6,192	3.3%	
Symplr Software, Inc.	315 Capitol St., Suite 100, Houston, TX 77002	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 4.50%	9.85%	12/22/2027		1,657	1,655	1,518	0.8%	(13)(15)
Synamedia Americas Holdings, Inc.	3500 Hyland Avenue, Costa Mesa, CA 92626	Interactive Media & Services	First Lien/Senior Secured Debt	SOFR + 7.75%	12.35%	12/05/2028		2,645	2,568	2,589	1.4%	(13)
TA/WEG Holdings, LLC	505 N. Highway 169, Suite 900, Plymouth, MN 55441	Banking, Finance, Insurance & Real Estate	First Lien/Senior Secured Debt	SOFR + 5.50%	10.68%	10/02/2027		9,568	9,583	9,568	5.1%	(13)
TA/WEG Holdings, LLC (Revolver)	505 N. Highway 169, Suite 900, Plymouth, MN 55441	Banking, Finance, Insurance & Real Estate	First Lien/Senior Secured Debt	SOFR + 6.00%	—	10/02/2027		0	-2	0	0.0%	(20)
Tactical Air Support, Inc.	14505 Mount Anderson Street, Reno, NC 89506	Aerospace and Defense	First Lien/Senior Secured Debt	SOFR + 8.50%	13.91%	12/22/2028		2,000	1,964	1,980	1.1%	(13)(20)
TLE Holdings, LLC	4000 Legato Road, 9th Floor, Fairfax, VA 22033	Healthcare, Education and Childcare	First Lien/Senior Secured Debt	SOFR + 5.50%	10.45%	06/29/2026		6,132	6,129	6,121	3.3%	(13)
VBC Spine Opco LLC (DxTx Pain and Spine LLC)	431 Summit St Ste 101, Elgin, IL, 60120	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 8.00%	13.45%	06/14/2028		4,612	4,532	4,558	2.4%	(20)
VBC Spine Opco LLC (DxTx Pain and Spine LLC) (Revolver)	431 Summit St Ste 101, Elgin, IL, 60120	Healthcare & Pharmaceuticals	First Lien/Senior Secured Debt	SOFR + 8.00%	—	06/14/2028		0	-6	-4	0.0%	(20)
<b>Second Lien/Senior Secured Debt - 13.3%</b>												
American Academy Holdings, LLC	2222 Sedwick Drive, Durham, NC 27713	Healthcare & Pharmaceuticals	Second Lien/Senior Secured Debt	—	14.50% PIK	03/01/2028		6,574	6,496	6,196	3.3%	

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
Confluence Technologies, Inc.	233 Wilshire Blvd, Suite 800, Santa Monica, CA 90401	Services: Business	Second Lien/Senior Secured Debt	SOFR + 6.50%	11.25%	07/23/2029		4,000	3,982	3,590	1.9%	(13)
Dcert Buyer, Inc.	131 Griffin Way, Mount Washington, KY 40047	High Tech Industries	Second Lien/Senior Secured Debt	SOFR + 7.00%	11.85%	02/16/2029		5,400	5,392	4,690	2.5%	(13)(15)
Idera, Inc.	2950 North Loop Freeway West, Suite 700, Houston, TX 77042	High Tech Industries	Second Lien/Senior Secured Debt	SOFR + 6.75%	12.15%	02/04/2029		2,024	2,013	1,992	1.1%	(13)
Ivanti Software, Inc.	10377 South Jordan Gateway Suite 110, South Jordan, UT 84095	High Tech Industries	Second Lien/Senior Secured Debt	SOFR + 7.25%	12.83%	12/01/2028		6,000	5,971	3,880	2.1%	(13)(15)
Project Leopard Holdings, Inc.	15211 Laguna Canyon Road, Irvine, CA 92618	High Tech Industries	Second Lien/Senior Secured Debt	SOFR + 7.75%	13%	07/20/2030		5,000	4,928	4,430	2.4%	
Robertshaw US Holding Corp. Subordinated Debt - 0.9%	5425 Wisconsin Avenue, Suite 200, Chevy Chase, MD 20815	Capital Equipment	Second Lien/Senior Secured Debt	—	—	02/28/2026		3,000	2,976	178	0.1%	(5)
Lucky Bucks Holdings LLC	5820 Live Oak Parkway, Suite 300, Norcross, GA 30071	Hotel, Gaming & Leisure	Subordinated Debt	—	—	05/29/2028		6,258	5,565	1,212	0.6%	(5)
DeltaDx Limited, LP (Money Transfer Acquisition Inc.)	10777 Westheimer Rd. Suite 1040, Houston, Tx 77042	Finance	Subordinated Debt	—	15.00% PIK	06/30/2028		484	484	484	0.3%	
TRSO II, Inc. Collateralized Loan Obligations - 3.6%	2700 E. Interstate 20 P.O. Box 2488, Odessa, TX 79760	Energy: Oil & Gas	Subordinated Debt	—	—	01/24/2025		76	76	0	0.0%	(5)
Catamaran CLO 2014-1 Ltd.	655 Broad Street 8th Floor, Newark, NJ 07102	CLO Fund Securities	Collateralized Loan Obligations	—	85.11%	04/20/2030	22.2%	15,161	120	120	0.1%	(3)(7)(10)

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
Catamaran CLO 2018-1 Ltd	Boundary Hall, Cricket Square PO Box 1093 Grand Cayman, Kyl-1102 Cayman Islands	CLO Fund Securities	Collateralized Loan Obligations	—	7.91%	10/27/2031	24.8%	10,000	3,339	2,832	1.5%	(3)(7)(10)
Dryden 30 Senior Loan Fund	Boundary Hall, Cricket Square PO Box 1093 Grand Cayman, Kyl-1102 Cayman Islands	CLO Fund Securities	Collateralized Loan Obligations	—	8.54%	11/01/2028	6.8%	3,250	170	170	0.1%	(3)(7)(10)
JMP Credit Advisors CLO IV LTD	75 Fort Street, P.O. Box 1350 Grand Cayman KY1 1108, Cayman Islands	CLO Fund Securities	Collateralized Loan Obligations	—	15.3%	07/17/2029	57.2%	18,407	740	698	0.4%	(3)(7)(10)
JMP Credit Advisors CLO V LTD	75 Fort Street, P.O. Box 1350 Grand Cayman KY1 1108, Cayman Islands	CLO Fund Securities	Collateralized Loan Obligations	—	10.88%	07/17/2030	57.2%	17,074	3,512	2,966	1.6%	(3)(7)(10)
<b>Preferred Stock and Units - 3.9%</b>												
4L Ultimate Topco Corporation	4200 Columbus Street, Ottawa, IL 61350	Services: Business	Preferred Stock and Units	—	—		0.3%	321	29	0	0.0%	
AAPC Holdings, LLC	2222 Sedwick Drive, Durham, NC 27713	Healthcare & Pharmaceuticals	Preferred Stock and Units	—	18.00% PIK		0.1%	146,214	4	218	0.1%	(22)(25)
Advantage Capital Holdings LLC	415 Bedford Road - Suite 102, Pleasantville, NY, 10570	Banking, Finance, Insurance & Real Estate	Preferred Stock and Units	—	12.50% PIK		0.4%	2,709,329	2,709	2,709	1.4%	(22)(25)
Aperture Dodge 18 LLC	10777 Westheimer Rd. Suite 1040, Houston, TX 77042	Banking, Finance, Insurance & Real Estate	Preferred Stock and Units	—	—		1.3%	3,072,634	3,073	2,919	1.6%	
Epilog Partners SPV III, LLC (Care Connectors Medical Group)	4695 MacArthur Court, Suite 1112A, Newport Beach, CA 92660 P.O. Box 396081, San Francisco, CA 94139	Healthcare & Pharmaceuticals	Preferred Stock and Units	—	—		0.7%	1,173,118	1,173	1,194	0.6%	(20)(22)
Prosper Marketplace		Consumer goods: Durable	Preferred Stock and Units	—	—		2.6%	912,865	279	324	0.2%	(6)

Investment (2), (4), (12), (14), (23), (24) Common Stock and Membership Units - 4.3%	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
AAPC Holdings, LLC	2222 Sedwick Drive, Durham, NC 27713	Healthcare & Pharmaceuticals	Common Stock and Membership Units	—	—	—	0.1%	0	0	426	0.2%	(22)
Advantage Capital Holdings LLC - Class A Units	415 Bedford Road - Suite 102, Pleasantville, NY, 10570	Banking, Finance, Insurance & Real Estate	Common Stock and Membership Units	—	—	—	0.6%	822	500	1,948	1.0%	(22)
Anthem Sports & Entertainment Inc. - Class A Warrant	8269 E. 23rd Ave, Denver, CO 80238	Media: Broadcasting & Subscription	Common Stock and Membership Units	—	—	—	0.9%	510	46	0	0.0%	
Anthem Sports & Entertainment Inc. - Class B Warrant	8269 E. 23rd Ave, Denver, CO 80238	Media: Broadcasting & Subscription	Common Stock and Membership Units	—	—	—	0.9%	88	0	0	0.0%	
Anthem Sports & Entertainment Inc. - Warrant for CS	8269 E. 23rd Ave, Denver, CO 80238	Media: Broadcasting & Subscription	Common Stock and Membership Units	—	—	—	0.7%	1,644	0	0	0.0%	
ATP Oil & Gas Corporation	4600 Post Oak Place, Suite 100, Houston, TX, 77027	Energy: Oil & Gas	Common Stock and Membership Units	—	—	—	5.0%	0	0	0	0.0%	(11)
Carestream Health Holdings, Inc.	150 Verona Street, Rochester, NY 14608	Healthcare & Pharmaceuticals	Common Stock and Membership Units	—	—	—	0.0%	4,099	53	124	0.1%	
Centric Brands, L.P.	350 Fifth Ave. Empire State Building, 6th Floor, New York, NY 10118	Machinery (Non-Agrelt/Constr/Electr)	Common Stock and Membership Units	—	—	—	0.8%	81,770	746	1,606	0.9%	(13)
DxTx Pain and Spine LLC	431 Summit St Ste 101, Elgin, IL, 60120	Healthcare & Pharmaceuticals	Common Stock and Membership Units	—	—	—	0.5%	158,166	258	274	0.1%	(22)
Everyware Global, Inc.	519 N. Pierce Avenue, Lancaster, OH 43130	Consumer goods: Durable	Common Stock and Membership Units	—	—	—	1.3%	1,085,565	346	344	0.2%	(16)
FP WRCA Coinvestment Fund VII, Ltd. - Class A	2400 W75th St., Prairie Village, KS 66208	Capital Equipment	Common Stock and Membership Units	—	—	—	0.2%	100	1,500	1,029	0.5%	(3)(7)

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
Fusion Connect, Inc.	420 Lexington Ave., Suite 1718, New York, NY 10170	Telecommunications	Common Stock and Membership Units	—	—	—	3.1%	14	866	0	0.0%	(13)
Fusion Connect, Inc. - Warrant	420 Lexington Ave., Suite 1718, New York, NY 10170	Telecommunications	Common Stock and Membership Units	—	—	—	3.1%	811,572	0	0	0.0%	
HDC/HW Holdings, LLC	620 Division Street, Elizabeth, NJ 07207	High Tech Industries	Common Stock and Membership Units	—	—	—	1.5%	148,826	0	0	0.0%	
LB NewHoldCo LLC	5820 Live Oak Parkway, Suite 300, Norcross, GA 30071	Hotel, Gaming & Leisure	Common Stock and Membership Units	—	—	—	1.0%	96,523	1,441	1,217	0.6%	(13)
Morae Global Holdings Inc. - Warrant	811 Louisiana St Ste 1020, Houston, TX 77002	IT Consulting & Other Services	Common Stock and Membership Units	—	—	—	4.2%	1	87	131	0.1%	
Ohene Holdings B.V. - Warrant	1020 Petersburg Rd, Hebron, KY 41048	High Tech Industries	Common Stock and Membership Units	—	—	—	0.0%	4	0	0	0.0%	(3)(7)
Roscoe Investors, LLC - Class A	21973 Commerce Parkway, Strongsville, OH 44149	Healthcare & Pharmaceuticals	Common Stock and Membership Units	—	—	—	0.8%	10,000	1,000	498	0.3%	
South Street Securities Holdings, Inc - Warrant	6800 East 163rd Street, Belton, MO 64012	Banking, Finance, Insurance & Real Estate	Common Stock and Membership Units	—	—	—	3.6%	3,966	455	450	0.2%	
Sundance Holdings Group, LLC	11726 San Vicente Blvd., Suite 300, Los Angeles, CA 90049	Retail	Common Stock and Membership Units	—	—	—	1.5%	14,603	0	0	0.0%	
World Business Lenders, LLC	101 Hudson Street, 33rd Floor, Jersey City, NJ 07302	Banking, Finance, Insurance & Real Estate	Common Stock and Membership Units	—	—	—	0.3%	49,209	0	0	0.0%	(7)
<b>Derivatives - 0.0%(19)</b>												
Advantage Capital Holdings LLC	415 Bedford Road - Suite 102, Pleasantville, NY, 10570	Banking, Finance, Insurance & Real Estate	Derivatives	—	—	—		164	0	0	0.0%	(7)(22)
EpiLog Partners LP (Care Connectors Medical Group)	4695 MacArthur Court, Suite 1112A Newport Beach, CA 92660	Healthcare & Pharmaceuticals	Derivatives	—	—	—		1,166,667	0	0	0.0%	(7)(22)

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
H2Net Holdco LLC (Anthem)	8269 E. 23rd Ave, Denver, CO 80238	Media: Broadcasting & Subscription	Derivatives	—	—			0	31	0	0.0%	(7)
<b>Total Investments in Non-Control, Non-Affiliate Portfolio Companies</b>												
<b>Investments in Affiliate Portfolio Companies - 31.1%(17)</b>												
<b>First Lien/Senior Secured Debt - 4.2%</b>												
PMP OPKO, LLC (Princeton Medspa Partners, LLC)	944 Main Street, Branford, CT 06405	Services: Consumer	First Lien/Senior Secured Debt	SOFR + 8.50%	13.35%	05/31/2029		1,683	1,641	1,631	0.9%	(13)(20)
PMP OPKO, LLC (Princeton Medspa Partners, LLC) (Revolver)	944 Main Street, Branford, CT 06405	Services: Consumer	First Lien/Senior Secured Debt	SOFR + 8.50%	—	05/31/2029		0	-3	-4	0.0%	(20)
Riddell, Inc.	1700 W. Higgins Road Suite 500, Des Plaines, IL 66018	Consumer goods: Durable	First Lien/Senior Secured Debt	SOFR + 6.00%	11.17%	03/29/2029		6,284	6,182	6,207	3.3%	(13)(20)
<b>Second Lien/Senior Secured Debt - 2.1%</b>												
Northeast Metal Works LLC	410 John Downey Drive, New Britain, CT 06051	Metals & Mining	Second Lien/Senior Secured Debt	—	8%	04/05/2028		4,500	4,500	3,429	1.8%	
Northeast Metal Works LLC	410 John Downey Drive, New Britain, CT 06051	Metals & Mining	Second Lien/Senior Secured Debt	—	8%	01/01/2025		500	500	500	0.3%	
<b>Joint Ventures - 20.9%</b>												
Series A-Great Lakes Funding II LLC	650 Madison Ave Fl 3, New York, NY 10022	Joint Venture	Joint Venture	—	—			38,318	38,318	39,276	20.9%	(7)(9)(20)(26)



Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
<b>Preferred Stock and Units - 3.1%</b>												
BMP Slaphey Holdco, LLC	4260 Cahaba Heights Court, Suite 100, Birmingham, AL 35243	Telecommunications	Preferred Stock and Units	—	—		1.8%	200,000	467	626	0.3%	(21)
BMP Slaphey Investment II	4260 Cahaba Heights Court, Suite 100, Birmingham, AL 35243	Telecommunications	Preferred Stock and Units	—	—		8.9%	88,946	208	278	0.1%	(21)
EBSC Holdings LLC (Riddell, Inc.)	1700 W. Higgins Road Suite 500, Des Plaines, IL 66018	Consumer goods: Durable	Preferred Stock and Units	—	10.00% PIK		1.6%	2,100,969	2,075	2,096	1.1%	(25)
GreenPark Infrastructure, LLC - Series A	221 River St, Hoboken, NJ 07030	Energy: Electricity	Preferred Stock and Units	—	—		10.0%	1,000	500	500	0.3%	(22)
Northeast Metal Works LLC - Preferred	410 John Downey Drive, New Britain, CT 06051	Metals & Mining	Preferred Stock and Units	—	—		50.3%	2,368	0	0	0.0%	(21)
Northeast Metal Works LLC - Class O Preferred	410 John Downey Drive, New Britain, CT 06051	Metals & Mining	Preferred Stock and Units	—	10.00% PIK		100.0%	4,950,000	4,950	1,273	0.7%	(21)(25)
Princeton Medspa Partners, LLC	944 Main Street, Branford, CT 06405	Services: Consumer	Preferred Stock and Units	—	12.50% PIK		2.5%	1,032	1,032	987	0.5%	(22)(25)
<b>Common Stock and Membership Units - 0.9%</b>												
GreenPark Infrastructure, LLC - Series M-1	221 River St, Hoboken, NJ 07030	Energy: Electricity	Common Stock and Membership Units	—	—		50.0%	500	171	172	0.1%	(20)(22)
Kleen-Tech Acquisition, LLC	7100 Broadway, Suite 6-L, Denver, CO 80221	Services: Business	Common Stock and Membership Units	—	—		5.2%	250,000	1,264	1,490	0.8%	(21)
Princeton Medspa Partners, LLC - Warrant	944 Main Street, Branford, CT 06405	Services: Consumer	Common Stock and Membership Units	—	—		2.5%	0	0	46	0.0%	(22)
<b>Derivatives - 0.0%(19)</b>												
Princeton Medspa Partners, LLC	944 Main Street, Branford, CT 06405	Services: Consumer	Derivatives	—	—			1,000,000	0	0	0.0%	(7)(22)

Investment (2), (4), (12), (14), (23), (24)	Address	Industry	Investment Type	Reference Rate and Spread (1)	Interest Rate	Maturity	% of Class Held	Principal /Par/ Shares (++)	Cost	Fair Value	Percentage of Net Assets	Footnotes
<b>Total Investments in Affiliate Portfolio Companies</b>												
<b>Investments in Controlled Affiliated Portfolio Companies - 6.9%(8)</b>												
<b>Subordinated Debt - 0.0%</b>												
ProAir, LLC	3260 Eagle Park Dr., NE, #100, Grand Rapids, MI 49525	Capital Equipment	Subordinated Debt	—	—	01/31/2023		2,020	1,931	0	0.0%	(5)
<b>Common Stock and Membership Units - 0.0%</b>												
ProAir HoldCo, LLC	3260 Eagle Park Dr., NE, #100, Grand Rapids, MI 49525	Capital Equipment	Common Stock and Membership Units	—	—		39.3%	2,749,997	4,261	0	0.0%	
<b>Joint Ventures - 6.9%</b>												
KCAP Freedom 3 LLC	650 Madison Ave Fl 3, New York, NY 10022	Joint Venture	Joint Venture	—	—		62.8%	27,220	25,835	13,012	6.9%	(7)
<b>Asset Manager Affiliates - 0.0%</b>												
Asset Management Company	650 Madison Ave Fl 3, New York, NY 10022	Asset Management Company	Asset Management Company	—	—		100.0%	0	17,791	0	0.0%	(7)
<b>Total Investments in Controlled Affiliated Portfolio Companies</b>												
<b>Total Investments - 228.2%</b>												

(1) A majority of the variable rate loans in the Company's investment portfolio bear interest at a rate that may be determined by reference to either SOFR or an alternate Base Rate (commonly based on the Federal Funds Rate or the Prime Rate), which typically resets semi-annually, quarterly, or monthly at the borrower's option. The borrower may also elect to have multiple interest reset periods for each September 30, 2024 loan. SOFR loans are typically indexed to 12 month, 6 month, 3 month, 2 month or 1 month SOFR rates. For each such loan, the Company has provided the weighted average annual stated interest rate in effect at September 30, 2024. As noted in the table above, 88.5% (based on par) of debt securities with floating rates contain floors which range between 0.50% and 5.25%.

- (2) Reflects the fair market value of all investments as of September 30, 2024 as determined in good faith using significant unobservable inputs by the Adviser in its role as "valuation designee" in accordance with Rule 2a-5 under the 1940 Act, pursuant to valuation policies and procedures that have been approved by the Board.
- (3) Non-U.S. company or principal place of business outside the U.S.
- (4) The aggregate cost of investments for federal income tax purposes is approximately \$514.2 million. The aggregate gross unrealized appreciation is approximately \$32.2 million, the aggregate gross unrealized depreciation is approximately \$2.8 million, and the net unrealized depreciation is approximately \$29.4 million.
- (5) Loan or debt security is on non-accrual status and therefore is considered non-income producing.
- (6) Held through Garrison Capital Equity Holdings II LLC and net of non-controlling member's interest of 17.5% pursuant to the Amended and Restated Limited Liability Company Agreement of Garrison Capital Equity Holdings II LLC.
- (7) The investment is treated as a non-qualifying asset under Section 55(a) of the 1940 Act. Under the 1940 Act, we may not acquire any non-qualifying asset unless, at the time the acquisition is made, qualifying assets represent at least 70% of our total assets. As of September 30, 2024, qualifying assets represent 87.0% of the Company's total assets and non-qualifying assets represent 13.0% of the Company's total assets.
- (8) As defined in the 1940 Act, the Company is deemed to be both an "Affiliated Person" and has "Control" of this portfolio company as the Company owns more than 25% of the portfolio company's outstanding voting securities or has the power to exercise control over management or policies of such portfolio company.
- (9) Non-voting.
- (10) CLO Subordinated Investments are entitled to periodic distributions which are generally equal to the remaining cash flow of the payments made by the underlying fund's investments less contractual payments to debt holders and fund expenses. The estimated annualized effective yield indicated is based upon a current projection of the amount and timing of these distributions. Such projections are updated on a quarterly basis and the estimated effective yield is adjusted prospectively.
- (11) This investment receives a 5% royalty interest on oil being produced on certain fields. All production payments received are being applied to the cost basis and are considered return of capital.
- (12) All investments valued using unobservable inputs (Level III), unless otherwise noted.
- (13) As of September 30, 2024, this investment is pledged to secure the Company's debt obligations.
- (14) The Company's investments are generally acquired in private transactions exempt from registration under the Securities Act of 1933, as amended (the "Securities Act") and, therefore, are generally subject to limitations on resale, and may be deemed to be "restricted securities" under the Securities Act of 1933.
- (15) This investment is classified as Level II.
- (16) This investment is held by the Company's wholly-owned subsidiary Garrison Capital Equity Holdings XI LLC.
- (17) Under the 1940 Act, the Company is deemed to be an "Affiliated Person" of, as defined in the 1940 Act, this portfolio company as the Company owns at least 5% of the portfolio company's outstanding voting securities or is under common control with such portfolio company.
- (18) Not used.
- (19) Information related to the Company's derivatives is presented below as of September 30, 2024:

(\$ in thousands)

Description	Counterparty	Number of shares	Notional amount	Exercise price	Expiration date	Value
Call option	HDNet Holdco LLC	0.2	\$ 8	0.01	N/A	—
Description	Counterparty	Number of shares	Notional amount	Exercise price	Expiration date	Value
Put option	Advantage Capital Holdings LLC	164	\$ 563	20	N/A	—
Put option	Epilog Partners LP (Care Connectors Medical Group)	1,166,667	\$ —	—	N/A	—
Put option	Princeton Medspa Partners, LLC	1,000,000	\$ 1,000	2	N/A	—

- (20) Debt security has an unfunded commitment in addition to the amounts shown in the Consolidated Schedule of Investments. See "Notes to Consolidated Financial Statements — Note 8. Commitments and Contingencies" in our most recent Annual Report on Form 10-K and our most recent Quarterly Report on Form 10-Q for additional information on the Company's commitments and contingencies.
- (21) This investment is owned by HCAP Equity Holdings, LLC, one of the Company's taxable blocker subsidiaries.
- (22) This investment is held by PTMN Sub Holdings LLC, one of the Company's taxable blocker subsidiaries.
- (23) All debt investments are income producing, unless otherwise noted. Equity and warrant investments are non-income producing, unless otherwise noted.
- (24) Percentages are based on net assets as of September 30, 2024.
- (25) The equity investment is income producing.
- (26) The investment is valued at the NAV of the underlying fund.
- (+ +) Par amount is presented for debt investments, while the number of shares or units owned is presented for equity investments.

## LEGAL PROCEEDINGS

The Company is not currently a party to any material legal proceedings except as set forth below.

Harvest Capital Credit Corporation (“HCAP”) and certain of its officers and directors as well as JMP Group LLC were named as defendants in two putative stockholder class action lawsuits, both filed in the Court of Chancery in the State of Delaware, captioned Stewart Thompson v. Joseph Jolson, et al., Case No. 2021-0164 and Ronald Tornese v. Joseph Jolson, et al., Case No. 2021-0167 (the “Delaware Actions”). The complaints in the Delaware Actions allege certain breaches of fiduciary duties against the defendants as well as aiding and abetting claims against JMP Group LLC and HCAP’s Chief Executive Officer concerning HCAP’s proposed merger with the Company and acquisition sub that resulted in the merger with and into the Company.

On June 9, 2021, HCAP merged with and into the Company with the Company as the surviving corporation. As a result, the Company became responsible for any claims against HCAP as well as for any advancement and/or indemnification owed to the former officers and directors of HCAP. On or about May 10, 2022, plaintiffs in the Delaware Actions filed a consolidated amended complaint seeking damages against defendants for allegedly breaching their fiduciary duties in connection with the proposed merger. On or about May 31, 2022, defendants moved to dismiss the Delaware Actions.

Thereafter, in December 2022, plaintiffs in the Delaware Actions again amended their complaint, and defendants again moved to dismiss the Delaware Action. On June 7, 2023, the Court heard oral argument on defendants’ motions to dismiss. The Court dismissed all claims against HCAP’s former independent directors but denied the motions of the remaining defendants.

On February 26, 2024, the parties in the Delaware Actions entered into a stipulation of settlement pursuant to which all claims will be dismissed with prejudice, subject to approval by the Court. On July 2, 2024, the Court held a settlement hearing and approved the settlement. The claims asserted against the defendants were dismissed with prejudice. The Company will not be responsible for paying any portion of the settlement amount, either directly or through indemnification of former officers or directors of HCAP.

**FINANCIAL STATEMENTS**

The information in “*Item 8. Financial Statements and Supplementary Data*” in the Company’s most recent Annual Report on Form 10-K and “*Part I, Item 1. Financial Statements*” in the Company’s most recent Quarterly Report on Form 10-Q is incorporated by reference herein. The financial data should be read in conjunction with the Company’s consolidated financial statements and related notes thereto and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” as incorporated by reference herein.

## MANAGEMENT

The information contained under “*Director and Executive Officer Information*,” “*Director Compensation*,” “*Executive Compensation*,” and “*Security Ownership of Certain Beneficial Owners and Management*” of our most recent Definitive Proxy Statement on Schedule 14A filed with the SEC on April 29, 2024 (“most recent Definitive Proxy Statement on Schedule 14A”), and under “*Item 1. Business — Advisory Agreement — Board Approval of the Advisory Agreement*” and “*Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Results of Operations — Expenses*” of our most recent Annual Report on Form 10-K, and under “*Notes to Consolidated Financial Statements — Note 5. Related Party Transactions — Board Approval of the Advisory Agreement*” and “*Part 1, Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Results of Operations — Expenses*” of our most recent Quarterly Report on Form 10-Q is incorporated by reference herein.

## PORTFOLIO MANAGEMENT

The management of our investment portfolio is the responsibility of Sierra Crest and our investment team (the "PTMN Investment Team"). All investment decisions require the majority approval of the PTMN investment committee (the "PTMN Investment Committee"). The PTMN Investment Team sources, identifies and diligences investment opportunities and presents the opportunity to the PTMN Investment Committee for approval. The PTMN Investment Committee is currently comprised of five members of BCP Credit (Ted Goldthorpe, Matthias Ederer, Henry Wang, Ivelin Dimitrov and Patrick Schafer). The PTMN Investment Committee meets regularly to review the opportunities presented by the PTMN Investment Team. Follow-on investments in existing portfolio companies may require the PTMN Investment Committee's approval beyond that obtained when the initial investment in the company was made. In addition, temporary investments, such as those in cash equivalents, U.S. government securities and other high quality debt investments that mature in one year or less, may require approval by the PTMN Investment Committee. Our Board, including a majority of the Independent Directors, oversees and monitors our investment performance and annually reviews the compensation we pay to the Adviser.

None of the Adviser's investment professionals receive any direct compensation from us in connection with the management of our portfolio.

Biographical information regarding senior members of the PTMN Investment Committee who are not directors or executive officers is as follows:

### **Matthias Ederer**

Mr. Ederer is a founding partner of BCP Credit, having previously been a partner and founding team member of Wingspan Investment Management, which he joined in 2013. Prior to Wingspan, he spent seven years in Goldman Sachs' Special Situations Group and Bank Loan Distressed Investing Group in New York and London.

### **Henry Wang**

Mr. Wang is a founding partner of BCP Credit, having formerly been a Partner at Stonerise Capital Partners where he spent over five years. Previously, he worked for over seven years at Goldman Sachs in its Special Situations Group and Investment Banking Division. Mr. Wang also worked for Vulcan Capital (Paul Allen's investment firm, co-founder of Microsoft) and Thomas Weisel Partners.

### **Ivelin Dimitrov**

Mr. Dimitrov joined BC Partners in 2018 and is a Managing Director in the Credit team. Previously, he was a Partner at Fifth Street Management LLC, where he focused on the investment activities of the firm, including private debt origination and capital markets solutions for financials sponsors and corporate clients.

Material conflicts of interest may arise in connection with the PTMN Investment Committee's management of our investments and the investments of the other accounts managed by the Adviser and its affiliates. See "Item 1.A. Risk Factors—Risks Related to Our Business and Structure — There may be conflicts of interest related to obligations that the Adviser's senior management and investment team has to other clients" in our most recent Annual Report on Form 10-K, incorporated by reference herein.

## Equity Securities

The dollar range of equity securities in us beneficially owned at September 30, 2024 by each portfolio manager is as follows:

Name	Dollar Range of Equity Securities in PTMN <sup>(1)</sup>
Matthias Ederer	None
Ted Goldthorpe	\$ 100,001—\$500,000
Patrick Schafer	\$ 100,001—\$500,000
Ivelin Dimitrov	None
Henry Wang	None

(1) Based on the closing price of PTMN Common Stock on NASDAQ on September 30, 2024 of \$18.55 per share. The dollar range of equity securities beneficially owned are: none; \$1 – \$10,000; \$10,001 – \$50,000; \$50,001 – \$100,000; \$100,001 – \$500,000; \$500,001 – \$1,000,000; or Over \$1,000,000.

## Other Accounts Managed

The information below lists the number of other accounts for which each portfolio manager was primarily responsible for the day-to-day management as of September 30, 2024.

Name of PTMN Investment Committee Member	Type of Accounts	Total Number of Other Accounts Managed	Total Assets (in millions) <sup>(1)</sup>	Number of Accounts for which Advisory Fee is Based on Performance	Total Assets for which Advisory Fee is Based on Performance (in millions) <sup>(2)</sup>
Matthias Ederer	Registered Investment Companies	5	\$ 811	5	\$ 811
	Other Pooled Investment Vehicles	8	\$ 4,907	8	\$ 4,907
	Other Accounts	3	\$ 831	1	\$ 17
Ted Goldthorpe	Registered Investment Companies	5	\$ 811	5	\$ 811
	Other Pooled Investment Vehicles	8	\$ 4,907	8	\$ 4,907
	Other Accounts	3	\$ 831	1	\$ 17
Patrick Schafer	Registered Investment Companies	5	\$ 811	5	\$ 811
	Other Pooled Investment Vehicles	8	\$ 4,907	8	\$ 4,907
	Other Accounts	3	\$ 831	1	\$ 17
Ivelin Dimitrov	Registered Investment Companies	5	\$ 811	5	\$ 811
	Other Pooled Investment Vehicles	8	\$ 4,907	8	\$ 4,907
	Other Accounts	3	\$ 831	1	\$ 17
Henry Wang	Registered Investment Companies	5	\$ 811	5	\$ 811
	Other Pooled Investment Vehicles	8	\$ 4,907	8	\$ 4,907
	Other Accounts	3	\$ 831	1	\$ 17

(1) Total Assets as defined by BC Partners, which includes undrawn commitments.

(2) Represents the assets under management of the accounts managed that have the potential to generate fees in addition to management fees based on total assets.

## Compensation

BC Partners' financial arrangements with the portfolio managers, its competitive compensation and its career path emphasis at all levels reflect the value senior management places on key resources. Compensation may include a variety of components and may vary from year to year based on a number of factors. The principal components of compensation include base compensation and performance-based, discretionary compensation.



Base Compensation: Generally, the portfolio managers receive base compensation based on their position with the firm that is consistent with the market rate of annual salaries paid to similarly situated investment professionals.

Discretionary Compensation: The PTMN Investment Committee members also receive discretionary compensation generally consisting of two components: an annual bonus and carried interest.

- Annual Bonus: Generally, a PTMN Investment Committee member receives an annual bonus based on the performance of BC Partners, the performance of the PTMN Investment Committee within BC Partners and the individual's performance, achievement of certain internal objectives and contribution to the overall performance of these portfolios and BC Partners as a whole.
- Carried Interest: Generally, a PTMN Investment Committee member receives carried interests with respect to the BC Partners-advised funds, subject to standard terms and conditions, including vesting.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The information contained under the caption "*Transactions with Related Persons*" in our most recent Definitive Proxy Statement on Schedule 14A is incorporated by reference herein.

**CONTROL PERSONS AND PRINCIPAL STOCKHOLDERS**

As of November 21, 2024, there were 9,201,425 shares of our common stock outstanding.

No person is deemed to control us, as such term is defined in the 1940 Act.

The following table sets forth, as of the date of this prospectus, information with respect to the beneficial ownership of our common stock by:

- each person known to us to beneficially own more than 5% of the outstanding shares of our common stock;
- each of our directors and each named executive officer; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to the securities. Ownership information for those persons who beneficially own 5% or more of the shares of the Company's common stock is based upon filings by such persons with the SEC and other information obtained from such persons, if available.

Unless otherwise indicated, the Company believes that each beneficial owner set forth in the table below has sole voting and investment power over the shares beneficially owned by such beneficial owner. The directors are divided into two groups — interested directors and independent directors. Each interested director is an "interested person" (as defined in Section 2(a)(19) of the 1940 Act) of the Company. The address of all executive officers and directors is c/o Portman Ridge Finance Corporation at 650 Madison Avenue, 3<sup>rd</sup> Floor, New York, New York 10022.

Name and Address	Number of Shares <sup>(1)</sup>	Percentage of Class
<b>Directors and Executive Officers:</b>		
<i>Independent Directors</i>		
Alexander Duka	1,000	*
George Grunebaum	—	—
Dean C. Kehler	167,400	1.8%
Robert Warshauer	2,000	*
Matthew Westwood	4,571	*
Joseph Morea	969	*
Jennifer Kwon Chou	—	—
<i>Interested Directors</i>		
Ted Goldthorpe	9,764	*
Patrick Schafer	8,315	*
<i>Executive Officers</i>		
Brandon Satoren	20	*
David Held	—	—
Directors and Executive Officers as a Group	194,039	2.1%
<i>5% Holders</i>		
—	—	—

\* Represents less than 1%.

(1) Beneficial ownership has been determined in accordance with Rule 13d-3 of the Securities Exchange Act of 1934 (the "Exchange Act").

The following table sets forth the dollar range of our equity securities beneficially owned by each of our directors as of December 31, 2023. We are not part of a “family of investment companies,” as that term is defined in Schedule 14A.

<u>Name of Director</u>	<u>Dollar Range of Equity Securities(\$)<sup>(1)(2)</sup></u>
<b>Independent Directors</b>	
Alexander Duka	\$10,001-\$50,000
George Grunebaum	None
Dean C. Kehler	Over \$100,000
Robert Warshauer	\$10,001-\$50,000
Matthew Westwood	\$50,000-\$100,000
Joseph Morea	\$10,001-\$50,000
Jennifer Kwon Chou	None
<b>Non-Independent Directors</b>	
Ted Goldthorpe	Over \$100,000
Patrick Schafer	Over \$100,000

(1) Beneficial ownership has been determined in accordance with Rule 16a-1(a)(2) of the Exchange Act.

(2) Based on the closing price of PTMN Common Stock on NASDAQ on December 29, 2023 of \$18.19 per share. The dollar range of equity securities beneficially owned are: none, \$1 – \$10,000, \$10,001 – \$50,000, \$50,001 – \$100,000, or Over \$100,000.

The following table sets forth the dollar range of equity interests beneficially owned by any of our Independent Directors and his or her immediate family as of December 31, 2023 in other funds managed by the Adviser or its affiliates.

<u>Name of Director</u>	<u>Name of Owners</u>	<u>Name of Investment</u>	<u>Title of Class</u>	<u>Value of Securities(1)</u>
Alexander Duka	Alexander Duka and Barbara Duka	BC Partners Special Opportunities Fund I LP	Limited Partnership	Over \$100,000
Alexander Duka	Alexander Duka and Barbara Duka	BC Partners Lending Corporation	Common Stock	Over \$100,000
Alexander Duka	Alexander Duka	BC Partners Fund XI	Limited Partnership	Over \$100,000
George Grunebaum	George Grunebaum	BC Partners Lending Corporation	Common Stock	Over \$100,000
Robert Warshauer	Robert Warshauer	BC Partners Lending Corporation	Common Stock	Over \$100,000
Robert Warshauer	Robert Warshauer	BCP Special Opportunities Fund I LLP	Limited Partnership	Over \$100,000

(1) Dollar ranges are as follows: none, \$1 – \$10,000, \$10,001 – \$50,000, \$50,001 – \$100,000, or Over \$100,000.

#### DETERMINATION OF NET ASSET VALUE

The NAV per share of our outstanding shares of common stock is determined quarterly by dividing the value of total assets minus liabilities by the total number of shares outstanding.

We calculate the value of our investments in accordance with the procedures described in “*Item 1. Business — Determination of Net Asset Value*” of our most recent Annual Report on Form 10-K, which is incorporated by reference herein.

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**DIVIDEND REINVESTMENT PLAN**

The information in “*Item 1. Business — Dividend Reinvestment Plan*” in our most recent Annual Report on Form 10-K is incorporated by reference herein.

## CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a general summary of certain material U.S. federal income tax considerations applicable to us and to an investment in shares of our common stock. This discussion is based on the provisions of the Code, the regulations of the U.S. Department of Treasury promulgated thereunder, or "Treasury regulations," and administrative and judicial interpretations, each as in effect as of the date of this prospectus and all of which are subject to change, possibly retroactively, which could affect the continuing validity of this discussion. This discussion does not constitute a detailed explanation of all U.S. federal income tax aspects affecting us and our stockholders and does not purport to deal with the U.S. federal income tax consequences that may be important to particular stockholders in light of their individual investment circumstances or to some types of stockholders subject to special tax rules, such as financial institutions, broker dealers, insurance companies, tax-exempt organizations, partnerships or other pass-through entities, persons holding our common stock in connection with a hedging, straddle, conversion or other integrated transaction, non-U.S. stockholders (as defined below) engaged in a trade or business in the United States, persons who have ceased to be U.S. citizens or to be taxed as resident aliens or individual non-U.S. stockholders present in the United States for 183 days or more during a taxable year. This discussion also does not address any aspects of U.S. estate or gift tax or foreign, state or local tax. This discussion assumes that our stockholders hold their shares of our common stock as capital assets for U.S. federal income tax purposes (generally, assets held for investment). No ruling has been or will be sought from the IRS regarding any matter discussed herein.

This discussion does not discuss the consequences of an investment in our preferred stock, subscription rights, debt securities or warrants representing rights to purchase shares of our preferred stock, common stock, or debt securities. The U.S. federal income tax consequences of such an investment in the relevant prospectus supplement.

A "U.S. stockholder" is generally a beneficial owner of shares of our common stock that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation or other entity classified as a corporation for U.S. tax purposes created or organized in or under the laws of the United States, any state therein or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary jurisdiction over the administration of the trust and one or more U.S. persons have authority to control all substantial decisions of the trust (or a trust that has made a valid election to be treated as a U.S. trust).

A "non-U.S. stockholder" generally is a beneficial owner of shares of our common stock other than a U.S. stockholder.

If a partnership or other entity classified as a partnership, for U.S. federal income tax purposes, holds our shares, the U.S. tax treatment of the partnership and each partner generally depends on the status of the partner, the activities of the partnership and certain determinations made at the partner level. A partnership (and any partner in such partnership) considering an investment in our common stock should consult its own tax advisers regarding the U.S. federal income tax consequences of the acquisition, ownership and disposition of shares by the partnership.

Tax matters are very complicated and the tax consequences to an investor of an investment in our shares will depend on the facts of his, her or its particular situation. We encourage investors to consult their own tax advisers regarding the specific consequences of such an investment, including tax reporting requirements, the applicability of federal, state, local and foreign tax laws, eligibility for the benefits of any applicable tax treaty and the effect of any possible changes in the tax laws.

## Taxation of the Company

We have elected to be treated and intend to qualify each year as a RIC under Subchapter M of the Code. As a RIC, we generally do not pay corporate-level U.S. federal income taxes on any ordinary income or capital gains that we timely distribute to our stockholders as dividends.

To qualify as a RIC, we must, among other things:

- derive in each taxable year at least 90% of our gross income from dividends, interest, payments with respect to certain securities loans, gains from the sale or other disposition of stock, securities or foreign currencies, other income derived with respect to our business of investing in stock, securities or currencies, or net income derived from an interest in a "qualified publicly traded partnership," or "QPTP," hereinafter the "90% Gross Income Test;" and
- diversify our holdings so that, at the end of each quarter of each taxable year:
  - at least 50% of the value of our total assets is represented by cash and cash items, U.S. Government securities, the securities of other RICs and other securities, with other securities limited, in respect of any one issuer, to an amount not greater than 5% of the value of our total assets and not more than 10% of the outstanding voting securities of such issuer, and
  - not more than 25% of the value of our total assets is invested in the securities of any issuer (other than U.S. Government securities and the securities of other regulated investment companies), the securities of any two or more issuers that we control and that are determined to be engaged in the same business or similar or related trades or businesses, or the securities of one or more QPTPs (the "Diversification Tests").

In the case of a RIC that furnishes capital to development corporations, there is an exception relating to the Diversification Tests described above. This exception is available only to RICs which the SEC determines to be principally engaged in the furnishing of capital to other corporations which are principally engaged in the development or exploitation of inventions, technological improvements, new processes, or products not previously generally available, which we refer to as "SEC Certification." We have not sought SEC Certification, but it is possible that we will seek SEC Certification in future years. If we receive SEC Certification, we generally will be entitled to include, in the computation of the 50% value of our assets (described above), the value of any securities of an issuer, whether or not we own more than 10% of the outstanding voting securities of the issuer, if the basis of the securities, when added to our basis of any other securities of the issuer that we own, does not exceed 5% of the value of our total assets.

As a RIC, we are generally not subject to U.S. federal income tax on investment company taxable income and net capital gains that we distribute to our stockholders in any taxable year with respect to which we distribute an amount equal to at least 90% of the sum of our (i) investment company taxable income (which includes, among other items, dividends, interest and the excess of any net realized short-term capital gains over net realized long-term capital losses and other taxable income (other than any net capital gain), reduced by deductible expenses) determined without regard to the deduction for dividends and distributions paid and (ii) net tax-exempt interest income (which is the excess of our gross tax-exempt interest income over certain disallowed deductions) (the "Annual Distribution Requirement"). We intend to distribute annually all or substantially all of such income. Generally, if we fail to meet this Annual Distribution Requirement for any taxable year, we will fail to qualify for tax treatment as a RIC for such taxable year. To the extent we meet the Annual Distribution Requirement for a taxable year, but retain our net capital gains for investment or any investment company taxable income, we are subject to U.S. federal income tax on such retained capital gains and investment company taxable income. We may choose to retain our net capital gains for investment or any investment company taxable income, and pay the associated U.S. federal corporate income tax.



We are subject to a nondeductible 4% U.S. federal excise tax on certain of our undistributed income, unless we timely distribute (or are deemed to have timely distributed) an amount equal to the sum of:

- at least 98% of our ordinary income (not taking into account any capital gains or losses) for the calendar year;
- at least 98.2% of the amount by which our capital gains exceed our capital losses (adjusted for certain ordinary losses) for a one-year period generally ending on October 31 of the calendar year (unless an election is made by us to use our taxable year); and
- certain undistributed amounts from previous years on which we paid no U.S. federal income tax.

We are authorized to borrow funds and to sell assets in order to satisfy distribution requirements. However, under the 1940 Act, we are not permitted to make distributions to our stockholders while any senior securities are outstanding unless we meet the applicable asset coverage ratios. See “*Item 1. Business—Regulation—Indebtedness; Coverage Ratio*” in our most recent Annual Report on Form 10-K, as well as in subsequent filings we make with the SEC. Moreover, our ability to dispose of assets to meet our distribution requirements may be limited by (1) the illiquid nature of our portfolio and/or (2) other requirements relating to our status as a RIC, including the Diversification Tests. If we dispose of assets in order to meet the Annual Distribution Requirement or to avoid the 4% U.S. federal excise tax, we may make such dispositions at times that, from an investment standpoint, are not advantageous.

A RIC is limited in its ability to deduct expenses in excess of its “investment company taxable income” (which is, generally, ordinary income plus the excess of net short-term capital gains over net long-term capital losses). If our expenses in a given year exceed investment company taxable income, we would experience a net operating loss for that year. However, a RIC is not permitted to carry forward net operating losses to subsequent years. In addition, expenses can be used only to offset investment company taxable income, not net capital gain. Due to these limits on the deductibility of expenses, we may for tax purposes have aggregate taxable income for several years that we are required to distribute and that is taxable to our stockholders even if such income is greater than the aggregate net income we actually earned during those years. Such required distributions may be made from our cash assets or by liquidation of investments, if necessary. We may realize gains or losses from such liquidations. In the event we realize net capital gains from such transactions, you may receive a larger capital gain distribution than you would have received in the absence of such transactions.

#### **Company Investments**

Certain of our investment practices are subject to special and complex U.S. federal income tax provisions that may, among other things, (i) disallow, suspend or otherwise limit the allowance of certain losses or deductions, including the dividends received deduction, (ii) convert lower taxed long-term capital gains and qualified dividend income into higher taxed short-term capital gains or ordinary income, (iii) convert ordinary loss or a deduction into capital loss (the deductibility of which is more limited), (iv) cause us to recognize income or gain without a corresponding receipt of cash, (v) adversely affect the time as to when a purchase or sale of stock or securities is deemed to occur, (vi) adversely alter the characterization of certain complex financial transactions and (vii) produce income that will not qualify as good income for purposes of the 90% Gross Income Test. We monitor our transactions and may make certain tax elections and may be required to borrow money or dispose of securities to mitigate the effect of these rules and to prevent disqualification of us as a RIC but there can be no assurance that we will be successful in this regard.

**Debt Instruments.** In certain circumstances, we may be required to recognize taxable income prior to which we receive cash. For example, if we hold debt instruments that are treated under applicable tax rules as having OID (such as debt instruments with an end-of-term payment and/or PIK interest payment or, in certain cases, increasing interest rates or issued with warrants), we must include in taxable income each year a portion of the OID that accrues over the life of the obligation, regardless of whether cash representing such income is received

by us in the same taxable year. We may also have to include in income other amounts that we have not yet received in cash, such as PIK interest, deferred loan origination fees that are paid after origination of the loan or are paid in non-cash compensation such as warrants or stock, or certain income with respect to equity investments in foreign corporations. Because any original issue discount or other amounts accrued will be included in our investment company taxable income for the year of accrual, we may be required to make a distribution to our stockholders in order to satisfy the Annual Distribution Requirement and to avoid the 4% U.S. federal excise tax, even though we will not have received any corresponding cash amount.

**Warrants.** Gain or loss realized by us from the sale or exchange of warrants acquired by us as well as any loss attributable to the lapse of such warrants generally are treated as capital gain or loss. The treatment of such gain or loss as long-term or short-term generally depends on how long we held a particular warrant.

**Foreign Investments.** In the event we invest in foreign securities, we may be subject to withholding and other foreign taxes with respect to those securities. We do not expect to satisfy the requirement to pass through to our stockholders their share of the foreign taxes paid by us.

**Passive Foreign Investment Companies.** We may invest in the stock of a foreign corporation which is classified as a "passive foreign investment company" (within the meaning of Section 1297 of the Code), or "PFIC." In general, unless a special tax election has been made, we are required to pay tax at ordinary income rates on any gains and "excess distributions" with respect to PFIC stock as if such items had been realized ratably over the period during which we held the PFIC stock, plus an interest charge. Certain adverse tax consequences of a PFIC investment may be limited if we are eligible to elect alternative tax treatment with respect to such investment. No assurances can be given that any such election will be available or that, if available, we will make such an election. For these reasons, we intend to manage our holdings in passive foreign investment companies to minimize our tax liability.

**Foreign Currency Transactions.** Under the Code, gains or losses attributable to fluctuations in exchange rates which occur between the time we accrue income or other receivables or accrue expenses or other liabilities denominated in a foreign currency and the time we actually collect such receivables or pay such liabilities generally are treated as ordinary income or loss. Similarly, on disposition of debt instruments and certain other instruments denominated in a foreign currency, gains or losses attributable to fluctuations in the value of the foreign currency between the date of acquisition of the instrument and the date of disposition also are treated as ordinary gain or loss. These currency fluctuations related gains and losses may increase or decrease the amount of our investment company taxable income to be distributed to our stockholders as ordinary income.

#### **Failure to Qualify as a RIC**

If we were unable to qualify for treatment as a RIC, and if certain cure provisions described below are not available, we would be subject to tax on all of our taxable income (including our net capital gains) at regular corporate rates. We would not be able to deduct distributions to stockholders, nor would they be required to be made. Distributions, including distributions of net long-term capital gain, would generally be taxable to our stockholders as ordinary dividend income to the extent of our current and accumulated earnings and profits. Subject to certain limitations under the Code, corporate stockholders would be eligible to claim a dividend received deduction with respect to such dividend; non-corporate stockholders would generally be able to treat such dividends as "qualified dividend income," which is subject to reduced rates of U.S. federal income tax. Distributions in excess of our current and accumulated earnings and profits would be treated first as a return of capital to the extent of the stockholder's tax basis, and any remaining distributions would be treated as a capital gain. If we fail to qualify as a RIC for a period greater than two taxable years, to qualify as a RIC in a subsequent year we may be subject to regular corporate tax on any net built-in gains with respect to certain of our assets (*i.e.*, the excess of the aggregate gains, including items of income, over aggregate losses that would have been realized with respect to such assets if we had been liquidated) that we elect to recognize on requalification or when recognized over the next five years.

#### Taxation of U.S. stockholders

Distributions by us generally are taxable to U.S. stockholders as ordinary income or capital gains. Distributions of our “investment company taxable income” (which is, generally, our net ordinary income plus realized net short-term capital gains in excess of realized net long-term capital losses) are taxable as ordinary income to U.S. stockholders to the extent of our current or accumulated earnings and profits, whether paid in cash or reinvested in additional shares of our common stock. To the extent such distributions paid by us to non-corporate stockholders (including individuals) are attributable to dividends from U.S. corporations and certain qualified foreign corporations and if certain holding period requirements are met, such distributions generally will be treated as qualified dividend income and eligible for a maximum U.S. federal tax rate of 20%. In this regard, it is anticipated that distributions paid by us will generally not be attributable to dividends and, therefore, generally will not qualify for the 20% maximum U.S. federal tax rate.

Distributions of our net capital gain (which is generally our realized net long-term capital gains in excess of realized net short-term capital losses) properly reported by us as “capital gain dividends” will be taxable to a U.S. stockholder as long-term capital gains (currently at a maximum U.S. federal tax rate of 20% in the case of individuals, trusts or estates), regardless of the U.S. stockholder’s holding period for his, her or its common stock and regardless of whether paid in cash or reinvested in additional common stock. Distributions in excess of our earnings and profits first will reduce a U.S. stockholder’s adjusted tax basis in such stockholder’s common stock and, after the adjusted basis is reduced to zero, will constitute capital gains to such U.S. stockholder. Stockholders receiving dividends or distributions in the form of additional shares of our common stock purchased in the market should be treated for U.S. federal income tax purposes as receiving a distribution in an amount equal to the amount of money that the stockholders receiving cash dividends or distributions will receive, and should have a cost basis in the shares received equal to such amount. Stockholders receiving dividends in newly issued shares of our common stock will be treated as receiving a distribution equal to the value of the shares received, and should have a cost basis of such amount.

Although we currently intend to distribute any net long-term capital gains at least annually, we may in the future decide to retain some or all of our net long-term capital gains but designate the retained amount as a “deemed distribution.” In that case, among other consequences, we will pay tax on the retained amount, each U.S. stockholder will be required to include their share of the deemed distribution in income as if it had been distributed to the U.S. stockholder, and the U.S. stockholder will be entitled to claim a credit equal to their allocable share of the tax paid on the deemed distribution by us. The amount of the deemed distribution net of such tax will be added to the U.S. stockholder’s tax basis for their common stock. Since we expect to pay tax on any retained capital gains at our regular corporate tax rate, and since that rate is in excess of the maximum rate currently payable by individuals on long-term capital gains, the amount of tax that individual stockholders will be treated as having paid and for which they will receive a credit will exceed the tax they owe on the retained net capital gain. Such excess generally may be claimed as a credit against the U.S. stockholder’s other U.S. federal income tax obligations or may be refunded to the extent it exceeds a stockholder’s liability for U.S. federal income tax. A stockholder that is not subject to U.S. federal income tax or otherwise required to file a U.S. federal income tax return would be required to file a U.S. federal income tax return on the appropriate form in order to claim a refund for the taxes we paid. In order to utilize the deemed distribution approach, we must provide written notice to our stockholders prior to the expiration of 60 days after the close of the relevant taxable year. We cannot treat any of our investment company taxable income as a “deemed distribution.”

An additional 3.8% Medicare tax is imposed on certain net investment income (including ordinary dividends and capital gain distributions received from us and net gains from redemptions or other taxable dispositions of our shares) of U.S. individuals, estates, and trusts to the extent that such person’s “modified adjusted gross income” (in the case of an individual) or “adjusted gross income” (in the case of an estate or trust) exceeds certain threshold amounts.

Generally, you will be provided with a written notice each year reporting the amount of any (i) ordinary income dividends, and (ii) capital gain dividends. For purposes of determining (1) whether the Annual Distribution Requirement is satisfied for any year and (2) the amount of capital gain dividends paid for that year, we may, under certain circumstances, elect to treat a dividend that is paid during the following taxable year as if it had been paid during the taxable year in question. If we make such an election, the U.S. stockholder will still be treated as receiving the dividend in the taxable year in which the distribution is made. However, if we pay you a dividend in January which was declared in the previous October, November or December to stockholders of record on a specified date in one of these months, then the dividend will be treated for tax purposes as being paid by us and received by you on December 31 of the year in which the dividend was declared. If an investor purchases shares of our stock shortly before the record date of a distribution, the price of the shares will include the value of the distribution and the investor will be subject to tax on the distribution even though it represents a return of its investment.

Certain distributions reported by the Company as Section 163(j) interest dividends may be treated as interest income by shareholders for purposes of the tax rules applicable to interest expense limitations under Section 163(j) of the Code. Such treatment by the shareholder is generally subject to holding period requirements and other potential limitations, although the holding period requirements are generally not applicable to dividends declared by money market funds and certain other funds that declare dividends daily and pay such dividends on a monthly or more frequent basis. The amount that we are eligible to report as a Section 163(j) dividend for a tax year is generally limited to the excess of our business interest income over the sum of our (i) business interest expense and (ii) other deductions properly allocable to our business interest income.

**Dividend Reinvestment Plan.** Under the dividend reinvestment plan, if a U.S. stockholder owns shares of common stock registered in its own name, the U.S. stockholder will have all cash distributions automatically reinvested in additional shares of common stock unless the U.S. stockholder opts out of our dividend reinvestment plan by delivering a written notice to our dividend paying agent prior to the record date of the next dividend or distribution. See “*Dividend Reinvestment Plan*.” Any distributions reinvested under the plan will nevertheless remain taxable to the U.S. stockholder. The U.S. stockholder will have an adjusted basis in the additional common stock purchased through the plan equal to the amount of the reinvested distribution. The additional shares will have a new holding period commencing on the day following the day on which the shares are credited to the U.S. stockholder’s account.

**Dispositions.** A U.S. stockholder generally will recognize gain or loss on the sale, exchange or other taxable disposition of shares of our common stock in an amount equal to the difference between the U.S. stockholder’s adjusted basis in the shares disposed of and the amount realized on their disposition. Generally, gain recognized by a U.S. stockholder on the disposition of shares of our common stock will result in capital gain or loss to a U.S. stockholder, and will be a long-term capital gain or loss if the shares have been held for more than one year at the time of sale. Any loss recognized by a U.S. stockholder upon the disposition of shares of our common stock held for six months or less will be treated as a long-term capital loss to the extent of any capital gain dividends received (including amounts credited as an undistributed capital gain dividend) by the U.S. stockholder. A loss recognized by a U.S. stockholder on a disposition of shares of our common stock will be disallowed as a deduction if the U.S. stockholder acquires additional shares of our common stock (whether through the automatic reinvestment of dividends or otherwise) within a 61-day period beginning 30 days before and ending 30 days after the date that the shares are disposed. In this case, the basis of the shares acquired will be adjusted to reflect the disallowed loss.

**Tax Shelter Reporting Regulations.** Under applicable Treasury regulations, if a U.S. stockholder recognizes a loss with respect to shares of \$2 million or more for a non-corporate U.S. stockholder or \$10 million or more for a corporate U.S. stockholder in any single taxable year (or a greater loss over a combination of years), the U.S. stockholder must file with the IRS a disclosure statement on Form 8886. Direct U.S. stockholders of portfolio securities are in many cases excepted from this reporting requirement, but under current guidance, U.S. stockholders of a RIC are not excepted. Future guidance may extend the current exception from this

reporting requirement to U.S. stockholders of most or all RICs. The fact that a loss is reportable under these regulations does not affect the legal determination of whether the taxpayer's treatment of the loss is proper. U.S. stockholders should consult their own tax advisers to determine the applicability of these regulations in light of their individual circumstances.

**Backup Withholding.** We are required in certain circumstances to backup withhold on taxable dividends or distributions paid to non-corporate U.S. stockholders who do not furnish us or the dividend-paying agent with their correct taxpayer identification number (in the case of individuals, their social security number) and certain certifications, or who are otherwise subject to backup withholding. Backup withholding is not an additional tax. Any amounts withheld from payments made to you may be refunded or credited against your U.S. federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

#### **Taxation of non-U.S. stockholders**

The following discussion only applies to certain non-U.S. stockholders. Whether an investment in shares of our common stock is appropriate for a non-U.S. stockholder depends upon that person's particular circumstances. An investment in shares of our common stock by a non-U.S. stockholder may have adverse tax consequences. Non-U.S. stockholders should consult their own tax advisers before investing in shares of our common stock.

**Actual and Deemed Distributions; Dispositions.** Distributions of ordinary income dividends to non-U.S. stockholders, subject to the discussion below, are generally subject to withholding of U.S. federal tax at a 30% rate (or lower rate provided by an applicable treaty) to the extent of our current or accumulated earnings and profits even if they are funded by income or gains (such as portfolio interest, short-term capital gains, or foreign-source dividend and interest income) that, if paid to a non-U.S. stockholder directly, would not be subject to withholding. If the distributions are effectively connected with a U.S. trade or business of the Non-U.S. stockholder, we will not be required to withhold federal tax if the Non-U.S. stockholder complies with applicable certification and disclosure requirements, although the distributions will be subject to U.S. federal income tax at the rates applicable to U.S. persons. (Special certification requirements apply to a Non-U.S. stockholder that is a foreign partnership or a foreign trust, and such entities are urged to consult their own tax advisers.)

We or the applicable withholding agent generally are not required to withhold any amounts with respect to certain distributions of (i) U.S. source interest income, and (ii) net short term capital gains in excess of net long term capital losses, in each case to the extent we properly report such distributions as "interest-related dividends" or "short-term capital gain dividends" and certain other requirements were satisfied. We anticipate that a portion of our distributions will be eligible for this exemption from withholding; however, we cannot determine what portion of our distributions (if any) will be eligible for this exception until after the end of our taxable year. No certainty can be provided that any of our distributions will be reported as eligible for this exception.

If we distribute our net capital gains in the form of deemed rather than actual distributions, a non-U.S. stockholder will be entitled to a federal income tax credit or tax refund equal to the stockholder's allocable share of the tax we pay on the capital gains deemed to have been distributed. In order to obtain the refund, the non-U.S. stockholder must obtain a U.S. taxpayer identification number and file a federal income tax return even if the non-U.S. stockholder is not otherwise required to obtain a U.S. taxpayer identification number or file a federal income tax return. For a non-U.S. stockholder, distributions (both actual and deemed), and gains realized upon the sale of our common stock that are effectively connected with a U.S. trade or business may, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate (or at a lower rate if provided for by an applicable tax treaty). Accordingly, investment in shares of our common stock may not be appropriate for certain non-U.S. stockholders.

**Dividend Reinvestment Plan.** Under our dividend reinvestment plan, if a non-U.S. stockholder owns shares of common stock registered in its own name, the non-U.S. stockholder will have all cash distributions

automatically reinvested in additional shares of common stock unless it opts out of our dividend reinvestment plan by delivering a written notice to our dividend paying agent prior to the record date of the next dividend or distribution. See “*Dividend Reinvestment Plan*.” If the distribution is a distribution of our investment company taxable income, is not reported by us as a short-term capital gains dividend or interest-related dividend and it is not effectively connected with a U.S. trade or business of the non-U.S. stockholder (or, if required by an applicable income tax treaty, is not attributable to a U.S. permanent establishment of the non-U.S. stockholder), the amount distributed (to the extent of our current or accumulated earnings and profits) will be subject to withholding of U.S. federal income tax at a 30% rate (or lower rate provided by an applicable treaty) and only the net after-tax amount will be reinvested in common stock. The non-U.S. stockholder will have an adjusted basis in the additional common stock purchased through the plan equal to the amount reinvested. The additional shares will have a new holding period commencing on the day following the day on which the shares are credited to the non-U.S. stockholder’s account.

**Backup Withholding.** A non-U.S. stockholder who is a nonresident alien individual, and who is otherwise subject to withholding of federal income tax, will be subject to information reporting, but may not be subject to backup withholding of federal income tax on taxable dividends or distributions if the non-U.S. stockholder provides us or the dividend paying agent with an IRS Form W-8BEN, IRS Form W-8BEN-E, or an acceptable substitute form. Backup withholding is not an additional tax. Any amounts withheld from payments made to you may be refunded or credited against your U.S. federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

#### **Foreign Account Tax Compliance**

Legislation commonly referred to as the “Foreign Account Tax Compliance Act,” or “FATCA”, and the Treasury regulations promulgated thereunder, generally impose a withholding tax of 30% on certain payments of U.S. source interest, dividends and other fixed or determinable annual or periodical gains, profits, and income to foreign financial institutions (“FFIs”) unless such FFIs enter into an agreement with the U.S. Treasury to report certain required information with respect to accounts held by U.S. persons (or held by foreign entities that have U.S. persons as substantial owners), or such FFIs reside in a jurisdiction that has entered into an intergovernmental agreement with the IRS to provide such information and such FFIs comply with the terms of such intergovernmental agreement and any enabling legislation or administrative authority with respect to such intergovernmental agreement. The information required to be reported includes the identity and taxpayer identification number of each account holder that is a U.S. person and transaction activity within the holder’s account. In addition, subject to certain exceptions, this legislation also imposes a 30% withholding on payments to foreign entities that are not financial institutions unless such foreign entities certify that they do not have any greater than 10% U.S. owner or provides the withholding agent with identifying information on each greater than 10% U.S. owner. Depending on the status of a Non-U.S. Holder and the status of the intermediaries through which they hold their shares, Non-U.S. Holders could be subject to this 30% withholding tax with respect to distributions on their shares of our common stock and proceeds from the sale of their shares of our common stock. Under certain circumstances, a Non-U.S. Holder might be eligible for refunds or credits of such taxes.

Each prospective investor is urged to consult its tax adviser regarding the applicability of FATCA and any other reporting requirements with respect to the prospective investor’s own situation, including investments through an intermediary.

## DESCRIPTION OF COMMON STOCK

Please refer to Exhibit 4.7, "Description of Portman Ridge Finance Corporation's Registered Securities," to our most recent Annual Report on Form 10-K, which is incorporated by reference herein, for a description of our common stock. We urge you to read the applicable prospectus supplement and any related free writing prospectus that we may authorize to be provided to you related to any shares of our capital stock being offered. The number of outstanding shares of our common stock as of November 21, 2024 was 9,201,425.

## DESCRIPTION OF PREFERRED STOCK

In addition to shares of common stock, our charter authorizes the issuance of preferred stock. If we offer preferred stock under this prospectus, we will issue an appropriate prospectus supplement. We may issue preferred stock from time to time in one or more classes or series, without stockholder approval. Prior to issuance of shares of each class or series, our Board is required by Delaware law and by our charter to set the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each class or series. Any such issuance must adhere to the requirements of the 1940 Act, Delaware law and any other limitations imposed by law.

The following is a general description of the terms of the preferred stock we may issue from time to time. Particular terms of any preferred stock we offer will be described in the prospectus supplement relating to such preferred stock.

If we issue preferred stock, it will pay dividends to the holders of the preferred stock at either a fixed rate or a rate that will be reset frequently based on short-term interest rates, as described in a prospectus supplement accompanying each preferred share offering.

You should note that any issuance of preferred stock must comply with the requirements of the 1940 Act. The 1940 Act requires, among other things, that (1) immediately after issuance and before any cash dividend or other distribution is made with respect to our common stock and before any purchase of common stock is made, the liquidation preference of any preferred stock, together with all other senior securities, must not exceed an amount equal to 66 $\frac{2}{3}$ % of our total assets after deducting the amount of such dividend, distribution or purchase price, as the case may be, and (2) the holders of shares of preferred stock, if any are issued, must be entitled as a class to elect two directors at all times and to elect a majority of the directors if dividends on such preferred stock are in arrears by two full years or more. In addition, under the 1940 Act, shares of preferred stock must be cumulative as to dividends and have a complete preference over our common stock to payment of their liquidation preference in the event of a dissolution.

Certain matters under the 1940 Act require the separate vote of the holders of any issued and outstanding preferred stock. For example, holders of preferred stock would vote separately from the holders of common stock on a proposal to cease operations as a BDC. We believe that the availability for issuance of preferred stock provides us with increased flexibility in structuring future financings and acquisitions. However, we do not currently have any plans to issue preferred stock.

For any class or series of preferred stock that we may issue, our Board will determine and the articles supplementary and prospectus supplement relating to such class or series will describe:

- the designation and number of shares of such class or series;
- the rate, whether fixed or variable, and time at which, and the preferences and conditions under which, any dividends will be paid on shares of such class or series, as well as whether such dividends are participating or non-participating;
- any provisions relating to convertibility or exchangeability of the shares of such class or series, including adjustments to the conversion price of such class or series;
- the rights and preferences, if any, of holders of shares of such class or series upon our liquidation, dissolution or winding up of our affairs;
- the voting powers, if any, of the holders of shares of such class or series;
- any provisions relating to the redemption of the shares of such class or series;
- any limitations on our ability to pay dividends or make distributions on, or acquire or redeem, other securities while shares of such class or series are outstanding;



- any conditions or restrictions on our ability to issue additional shares of such class or series or other securities;
- if applicable, a discussion of certain U.S. federal income tax considerations; and
- any other relative powers, preferences and participating, optional or special rights of shares of such class or series, and the qualifications, limitations or restrictions thereof.

All shares of preferred stock that we may issue will be identical and of equal rank except as to the particular terms thereof that may be fixed by our Board, and all shares of each class or series of preferred stock will be identical and of equal rank except as to the dates from which dividends, if any, thereon will be cumulative. We urge you to read the applicable prospectus supplement and any free writing prospectus that we may authorize to be provided to you related to any preferred stock being offered, as well as the complete articles supplementary that contain the terms of the applicable class or series of preferred stock.

## DESCRIPTION OF SUBSCRIPTION RIGHTS

### *General*

We may issue subscription rights to our stockholders to purchase common stock. Subscription rights may be issued independently or together with any other offered security and may or may not be transferable by the person purchasing or receiving the subscription rights. In connection with a subscription rights offering to our stockholders, we would distribute certificates evidencing the subscription rights and a prospectus supplement to our stockholders on the record date that we set for receiving subscription rights in such subscription rights offering. You should read the prospectus supplement related to any such subscription rights offering.

The applicable prospectus supplement would describe the following terms of subscription rights in respect of which this prospectus is being delivered:

- the period of time the offering would remain open (which shall be open a minimum number of days such that all record holders would be eligible to participate in the offering and shall not be open longer than 120 days)
- the title of such subscription rights;
- the exercise price for such subscription rights (or method of calculation thereof);
- the ratio of the offering (which, in the case of transferable rights, will require a minimum of three shares to be held of record before a person is entitled to purchase an additional share);
- the number of such subscription rights issued to each stockholder;
- the extent to which such subscription rights are transferable and the market on which they may be traded if they are transferable;
- if applicable, a discussion of certain U.S. federal income tax considerations applicable to the issuance or exercise of such subscription rights;
- the date on which the right to exercise such subscription rights shall commence, and the date on which such right shall expire (subject to any extension);
- the extent to which such subscription rights include an over-subscription privilege with respect to unsubscribed securities and the terms of such over-subscription privilege;
- any termination right we may have in connection with such subscription rights offering; and
- any other terms of such subscription rights, including exercise, settlement and other procedures and limitations relating to the transfer and exercise of such subscription rights.

### *Exercise Of Subscription Rights*

Each subscription right would entitle the holder of the subscription right to purchase for cash such amount of shares of common stock at such exercise price as shall in each case be set forth in, or be determinable as set forth in, the prospectus supplement relating to the subscription rights offered thereby. Subscription rights may be exercised at any time up to the close of business on the expiration date for such subscription rights set forth in the prospectus supplement. After the close of business on the expiration date, all unexercised subscription rights would become void.

Subscription rights may be exercised as set forth in the prospectus supplement relating to the subscription rights offered thereby. Upon receipt of payment and the subscription rights certificate properly completed and duly executed at the corporate trust office of the subscription rights agent or any other office indicated in the prospectus supplement we will forward, as soon as practicable, the shares of common stock purchasable upon such exercise. To the extent permissible under applicable law, we may determine to offer any unsubscribed

offered securities directly to persons other than stockholders, to or through agents, underwriters or dealers or through a combination of such methods, as set forth in the applicable prospectus supplement.

***Dilutive Effects***

Any stockholder who chooses not to participate in a rights offering should expect to own a smaller interest in us upon completion of such rights offering. Any rights offering will dilute the ownership interest and voting power of stockholders who do not fully exercise their subscription rights. Further, because the net proceeds per share from any rights offering may be lower than our then current NAV per share, the rights offering may reduce our NAV per share. The amount of dilution that a stockholder will experience could be substantial, particularly to the extent we engage in multiple rights offerings within a limited time period. In addition, the market price of our common stock could be adversely affected while a rights offering is ongoing as a result of the possibility that a significant number of additional shares may be issued upon completion of such rights offering. All of our stockholders will also indirectly bear the expenses associated with any rights offering we may conduct, regardless of whether they elect to exercise any rights.

## DESCRIPTION OF WARRANTS

The following is a general description of the terms of the warrants we may issue from time to time. Particular terms of any warrants we offer will be described in the prospectus supplement relating to such warrants. You should read the prospectus supplement related to any warrants offering.

We may issue warrants to purchase shares of our common stock, preferred stock or debt securities. Such warrants may be issued independently or together with shares of common stock, preferred stock or debt securities and may be attached or separate from such securities. We will issue each series of warrants under a separate warrant agreement to be entered into between us and a warrant agent. The warrant agent will act solely as our agent and will not assume any obligation or relationship of agency for or with holders or beneficial owners of warrants.

A prospectus supplement will describe the particular terms of any series of warrants we may issue, including the following:

- the aggregate number of such warrants;
- the title of such warrants;
- the price or prices at which such warrants will be issued;
- the currency or currencies, including composite currencies, in which the price of such warrants may be payable;
- if applicable, the designation and terms of the securities with which the warrants are issued and the number of warrants issued with each such security or each principal amount of such security;
- in the case of warrants to purchase debt securities, the principal amount of debt securities purchasable upon exercise of one warrant and the price at which and the currency or currencies, including composite currencies, in which this principal amount of debt securities may be purchased upon such exercise;
- in the case of warrants to purchase common stock or preferred stock, the number of shares of common stock or preferred stock, as the case may be, purchasable upon exercise of one warrant and the price at which and the currency or currencies, including composite currencies, in which these shares may be purchased upon such exercise;
- the date on which the right to exercise such warrants shall commence and the date on which such right will expire;
- whether such warrants will be issued in registered form or bearer form;
- if applicable, the minimum or maximum amount of such warrants which may be exercised at any one time;
- if applicable, the number of such warrants issued with each security;
- if applicable, the date on and after which such warrants and the related securities will be separately transferable;
- information with respect to book-entry procedures, if any;
- the terms of the securities issuable upon exercise of the warrants;
- if applicable, a discussion of certain U.S. federal income tax considerations; and
- any other terms of such warrants, including terms, procedures and limitations relating to the exchange and exercise of such warrants.

We and the warrant agent may amend or supplement the warrant agreement for a series of warrants without the consent of the holders of the warrants issued thereunder to effect changes that are not inconsistent with the provisions of the warrants and that do not materially and adversely affect the interests of the holders of the warrants.

Prior to exercising their warrants, holders of warrants will not have any of the rights of holders of the securities purchasable upon such exercise, including, in the case of warrants to purchase debt securities, the right to receive principal, premium, if any, or interest payments, on the debt securities purchasable upon exercise or to enforce covenants in the applicable indenture or, in the case of warrants to purchase common stock or preferred stock, the right to receive dividends, if any, or payments upon our liquidation, dissolution or winding up or to exercise any voting rights.

Under the 1940 Act, we may generally only offer warrants provided that (1) the warrants expire by their terms within ten years; (2) the exercise or conversion price is not less than the current market value at the date of issuance; (3) our stockholders authorize the proposal to issue such warrants, and our Board approves such issuance on the basis that the issuance is in the best interests of us and our stockholders; and (4) if the warrants are accompanied by other securities, the warrants are not separately transferable unless no class of such warrants and the securities accompanying them has been publicly distributed. The 1940 Act also provides that the amount of our voting securities that would result from the exercise of all outstanding warrants at the time of issuance may not exceed 25.0% of our outstanding voting securities.

## DESCRIPTION OF OUR DEBT SECURITIES

We may issue debt securities in one or more series. The specific terms of each series of debt securities will be described in the particular prospectus supplement relating to that series. The prospectus supplement may or may not modify the general terms found in this prospectus and will be filed with the SEC. We urge you to read the applicable prospectus supplement and any free writing prospectus that we may authorize to be provided to you related to the series of debt securities being offered, as well as the complete indentures that contain the terms of the debt securities.

As required by federal law for all bonds and notes of companies that are publicly offered, the debt securities are governed by a document called an "indenture." An indenture is a contract between us and the financial institution acting as trustee on your behalf, and is subject to and governed by the Trust Indenture Act of 1939, as amended. The trustee has two main roles. First, the trustee can enforce your rights against us if we default. There are some limitations on the extent to which the trustee acts on your behalf, described in the second paragraph under "*Events of Default—Remedies if an Event of Default Occurs.*" Second, the trustee performs certain administrative duties for us with respect to the debt securities.

This section includes a description of the material provisions of the indenture. Any accompanying prospectus supplement will describe any other material terms of the debt securities being offered thereunder. Because this section is a summary, however, it does not describe every aspect of the debt securities and the indenture. We urge you to read the indenture because it, and not this description, defines your rights as a holder of debt securities. A copy of the form of indenture is attached as an exhibit to the registration statement of which this prospectus is a part. We will file a supplemental indenture with the SEC in connection with any debt offering, at which time the supplemental indenture would be publicly available. See "*Available Information*" for information on how to obtain a copy of the indenture.

The prospectus supplement, which will accompany this prospectus, will describe the particular series of debt securities being offered, including among other things:

- the designation or title of the series of debt securities;
- the total principal amount of the series of debt securities;
- the percentage of the principal amount at which the series of debt securities will be offered;
- the date or dates on which principal will be payable;
- the rate or rates (which may be either fixed or variable) and/or the method of determining such rate or rates of interest, if any;
- the date or dates from which any interest will accrue, or the method of determining such date or dates, and the date or dates on which any interest will be payable;
- whether any interest may be paid by issuing additional securities of the same series in lieu of cash (and the terms upon which any such interest may be paid by issuing additional securities);
- the terms for redemption, extension or early repayment, if any;
- the currencies in which the series of debt securities are issued and payable;
- whether the amount of payments of principal, premium or interest, if any, on a series of debt securities will be determined with reference to an index, formula or other method (which could be based on one or more currencies, commodities, equity indices or other indices) and how these amounts will be determined;
- the place or places of payment, transfer, conversion and/or exchange of the debt securities;
- the denominations in which the offered debt securities will be issued (if other than \$1,000 and any integral multiple thereof);

- the provision for any sinking fund;
- any restrictive covenants;
- any Events of Default (as defined in “*Events of Default*” below);
- whether the series of debt securities is issuable in certificated form;
- any provisions for defeasance or covenant defeasance;
- any special federal income tax implications, including, if applicable, federal income tax considerations relating to original issue discount;
- whether and under what circumstances we will pay additional amounts in respect of any tax, assessment or governmental charge and, if so, whether we will have the option to redeem the debt securities rather than pay the additional amounts (and the terms of this option);
- any provisions for convertibility or exchangeability of the debt securities into or for any other securities;
- whether the debt securities are subject to subordination and the terms of such subordination;
- whether the debt securities are secured and the terms of any security interest;
- the listing, if any, on a securities exchange; and
- any other terms.

The debt securities may be secured or unsecured obligations. Under the provisions of the 1940 Act, we, as a BDC, are permitted to issue debt only in amounts such that our asset coverage, as defined in the 1940 Act, equals at least 150% after each issuance of debt, but giving effect to any exemptive relief granted to us by the SEC. For a discussion of risks involved with incurring additional leverage, see “*Item 1A. Risk Factors*” in our most recent Annual Report on Form 10-K, as well as in any of our subsequent SEC filings. Unless the prospectus supplement states otherwise, principal (and premium, if any) and interest, if any, will be paid by us in immediately available funds.

#### General

The indenture provides that any debt securities proposed to be sold under this prospectus and the accompanying prospectus supplement (“offered debt securities”) and any debt securities issuable upon the exercise of warrants or upon conversion or exchange of other offered securities (“underlying debt securities”) may be issued under the indenture in one or more series.

For purposes of this prospectus, any reference to the payment of principal of, or premium or interest, if any, on, debt securities will include additional amounts if required by the terms of the debt securities.

The indenture does not limit the amount of debt securities that may be issued thereunder from time to time. Debt securities issued under the indenture, when a single trustee is acting for all debt securities issued under the indenture, are called the “indenture securities.” The indenture also provides that there may be more than one trustee thereunder, each with respect to one or more different series of indenture securities. See “—*Resignation of Trustee*” below. At a time when two or more trustees are acting under the indenture, each with respect to only certain series, the term “indenture securities” means the one or more series of debt securities with respect to which each respective trustee is acting. In the event that there is more than one trustee under the indenture, the powers and trust obligations of each trustee described in this prospectus will extend only to the one or more series of indenture securities for which it is trustee. If two or more trustees are acting under the indenture, then the indenture securities for which each trustee is acting would be treated as if issued under separate indentures.

Except as described under “—*Events of Default*” and “—*Merger or Consolidation*” below, the indenture does not contain any provisions that give you protection in the event we issue a large amount of debt or we are acquired by another entity.

We refer you to the prospectus supplement for information with respect to any deletions from, modifications of or additions to the Events of Default or our covenants, as applicable, that are described below, including any addition of a covenant or other provision providing event risk protection or similar protection.

We have the ability to issue indenture securities with terms different from those of indenture securities previously issued and, without the consent of the holders thereof, to reopen a previous issue of a series of indenture securities and issue additional indenture securities of that series unless the reopening was restricted when that series was created.

#### **Conversion and Exchange**

If any debt securities are convertible into or exchangeable for other securities, the prospectus supplement will explain the terms and conditions of the conversion or exchange, including the conversion price or exchange ratio (or the calculation method), the conversion or exchange period (or how the period will be determined), if conversion or exchange will be mandatory or at the option of the holder or us, provisions for adjusting the conversion price or the exchange ratio, and provisions affecting conversion or exchange in the event of the redemption of the underlying debt securities. These terms may also include provisions under which the number or amount of other securities to be received by the holders of the debt securities upon conversion or exchange would be calculated according to the market price of the other securities as of a time stated in the prospectus supplement.

#### **Issuance of Securities in Registered Form**

We may issue the debt securities in registered form, in which case we may issue them either in book-entry form only or in “certificated” form. Debt securities issued in book-entry form will be represented by global securities. We expect that we will usually issue debt securities in book-entry only form represented by global securities.

#### **Book-Entry Holders**

We will issue registered debt securities in book-entry form only, unless we specify otherwise in the applicable prospectus supplement. This means debt securities will be represented by one or more global securities registered in the name of a depository that will hold them on behalf of financial institutions that participate in the depository’s book-entry system. These participating institutions, in turn, hold beneficial interests in the debt securities held by the depository or its nominee. These institutions may hold these interests on behalf of themselves or customers.

Under the indenture, only the person in whose name a debt security is registered is recognized as the holder of that debt security. Consequently, for debt securities issued in book-entry form, we will recognize only the depository as the holder of the debt securities and we will make all payments on the debt securities to the depository. The depository will then pass along the payments it receives to its participants, which in turn will pass the payments along to their customers who are the beneficial owners. The depository and its participants do so under agreements they have made with one another or with their customers; they are not obligated to do so under the terms of the debt securities.

As a result, investors will not own debt securities directly. Instead, they will own beneficial interests in a global security, through a bank, broker or other financial institution that participates in the depository’s book-entry system or holds an interest through a participant. As long as the debt securities are represented by one or more global securities, investors will be indirect holders, and not holders, of the debt securities.



### **Street Name Holders**

In the future, we may issue debt securities in certificated form or terminate a global security. In these cases, investors may choose to hold their debt securities in their own names or in "street name." Debt securities held in street name are registered in the name of a bank, broker or other financial institution chosen by the investor, and the investor would hold a beneficial interest in those debt securities through the account he or she maintains at that institution.

For debt securities held in street name, we will recognize only the intermediary banks, brokers and other financial institutions in whose names the debt securities are registered as the holders of those debt securities, and we will make all payments on those debt securities to them. These institutions will pass along the payments they receive to their customers who are the beneficial owners, but only because they agree to do so in their customer agreements or because they are legally required to do so. Investors who hold debt securities in street name will be indirect holders, and not holders, of the debt securities.

### **Legal Holders**

Our obligations, as well as the obligations of the applicable trustee and those of any third parties employed by us or the applicable trustee, run only to the legal holders of the debt securities. We do not have obligations to investors who hold beneficial interests in global securities, in street name or by any other indirect means. This will be the case whether an investor chooses to be an indirect holder of a debt security or has no choice because we are issuing the debt securities only in book-entry form.

For example, once we make a payment or give a notice to the holder, we have no further responsibility for the payment or notice even if that holder is required, under agreements with depositary participants or customers or by law, to pass it along to the indirect holders but does not do so. Similarly, if we want to obtain the approval of the holders for any purpose (for example, to amend an indenture or to relieve us of the consequences of a default or of our obligation to comply with a particular provision of an indenture), we would seek the approval only from the holders, and not the indirect holders, of the debt securities. Whether and how the holders contact the indirect holders is up to the holders.

When we refer to you in this "Description of Our Debt Securities" section, we mean those who invest in the debt securities being offered by this prospectus, whether they are the holders or only indirect holders of those debt securities. When we refer to your debt securities, we mean the debt securities in which you hold a direct or indirect interest.

### **Special Considerations for Indirect Holders**

If you hold debt securities through a bank, broker or other financial institution, either in book-entry form or in street name, we urge you to check with that institution to find out:

- how it handles securities payments and notices;
- whether it imposes fees or charges;
- how it would handle a request for the holders' consent, if ever required;
- whether and how you can instruct it to send you debt securities registered in your own name so you can be a holder, if that is permitted in the future for a particular series of debt securities;
- how it would exercise rights under the debt securities if there were a default or other event triggering the need for holders to act to protect their interests; and
- if the debt securities are in book-entry form, how the depositary's rules and procedures will affect these matters.

## Global Securities

As noted above, we usually will issue debt securities as registered securities in book-entry form only. A global security represents one or any other number of individual debt securities. Generally, all debt securities represented by the same global securities will have the same terms.

Each debt security issued in book-entry form will be represented by a global security that we deposit with and register in the name of a financial institution or its nominee that we select. The financial institution that we select for this purpose is called the depository. Unless we specify otherwise in the applicable prospectus supplement, The Depository Trust Company, New York, New York, known as "DTC", will be the depository for all debt securities issued in book-entry form.

A global security may not be transferred to or registered in the name of anyone other than the depository or its nominee, unless special termination situations arise. We describe those situations below under "*Termination of a Global Security*." As a result of these arrangements, the depository, or its nominee, will be the sole registered owner and holder of all debt securities represented by a global security, and investors will be permitted to own only beneficial interests in a global security. Beneficial interests must be held by means of an account with a broker, bank or other financial institution that in turn has an account with the depository or with another institution that has an account with the depository. Thus, an investor whose security is represented by a global security will not be a holder of the debt security, but only an indirect holder of a beneficial interest in the global security.

### *Special Considerations for Global Securities*

As an indirect holder, an investor's rights relating to a global security will be governed by the account rules of the investor's financial institution and of the depository, as well as general laws relating to securities transfers. The depository that holds the global security will be considered the holder of the debt securities represented by the global security.

If debt securities are issued only in the form of a global security, an investor should be aware of the following:

- an investor cannot cause the debt securities to be registered in his, her or its name and cannot obtain certificates for his, her or its interest in the debt securities, except in the special situations we describe below;
- an investor will be an indirect holder and must look to his, her or its own bank or broker for payments on the debt securities and protection of his, her or its legal rights relating to the debt securities, as we describe under "*Issuance of Securities in Registered Form*" above;
- an investor may not be able to sell interests in the debt securities to some insurance companies and other institutions that are required by law to own their securities in non-book-entry form;
- an investor may not be able to pledge his, her or its interest in a global security in circumstances where certificates representing the debt securities must be delivered to the lender or other beneficiary of the pledge in order for the pledge to be effective;
- the depository's policies, which may change from time to time, will govern payments, transfers, exchanges and other matters relating to an investor's interest in a global security. We and the trustee have no responsibility for any aspect of the depository's actions or for its records of ownership interests in a global security. We and the trustee also do not supervise the depository in any way;
- if we redeem less than all the debt securities of a particular series being redeemed, DTC's practice is to determine by lot the amount to be redeemed from each of its participants holding that series;

- an investor is required to give notice of exercise of any option to elect repayment of its debt securities, through its participant, to the applicable trustee and to deliver the related debt securities by causing its participant to transfer its interest in those debt securities, on DTC's records, to the applicable trustee;
- DTC requires that those who purchase and sell interests in a global security deposited in its book-entry system use immediately available funds; your broker or bank may also require you to use immediately available funds when purchasing or selling interests in a global security; and
- financial institutions that participate in the depository's book-entry system, and through which an investor holds its interest in a global security, may also have their own policies affecting payments, notices and other matters relating to the debt securities; there may be more than one financial intermediary in the chain of ownership for an investor; we do not monitor, nor are we responsible for the actions of, any of those intermediaries.

#### ***Termination of a Global Security***

If a global security is terminated for any reason, interests in it will be exchanged for certificates in non-book-entry form (certificated securities). After that exchange, the choice of whether to hold the certificated debt securities directly or in street name will be up to the investor. Investors must consult their own banks or brokers to find out how to have their interests in a global security transferred on termination to their own names, so that they will be holders. We have described the rights of legal holders and street name investors under "*Issuance of Securities in Registered Form*" above.

The prospectus supplement may list situations for terminating a global security that would apply only to the particular series of debt securities covered by the prospectus supplement. If a global security is terminated, only the depository, and not us or the applicable trustee, is responsible for deciding the investors in whose names the debt securities represented by the global security will be registered and, therefore, who will be the holders of those debt securities.

#### ***Payment and Paying Agents***

We will pay interest to the person listed in the applicable trustee's records as the owner of the debt security at the close of business on a particular day in advance of each due date for interest, even if that person no longer owns the debt security on the interest due date. That day, usually about two weeks in advance of the interest due date, is called the "record date." Since we will pay all the interest for an interest period to the holders on the record date, holders buying and selling debt securities must work out between themselves the appropriate purchase price. The most common manner is to adjust the sales price of the debt securities to prorate interest fairly between buyer and seller based on their respective ownership periods within the particular interest period. This prorated interest amount is called "accrued interest."

#### ***Payments on Global Securities***

We will make payments on a global security in accordance with the applicable policies of the depository as in effect from time to time. Under those policies, we will make payments directly to the depository, or its nominee, and not to any indirect holders who own beneficial interests in the global security. An indirect holder's right to those payments will be governed by the rules and practices of the depository and its participants, as described under "*Special Considerations for Global Securities*."

#### ***Payments on Certificated Securities***

We will make payments on a certificated debt security as follows. We will pay interest that is due on an interest payment date to the holder of debt securities as shown on the trustee's records as of the close of business

on the regular record date at our office and/or at other offices that may be specified in the prospectus supplement. We will make all payments of principal and premium, if any, by check at the office of the applicable trustee in New York, New York and/or at other offices that may be specified in the prospectus supplement or in a notice to holders against surrender of the debt security.

Alternatively, at our option, we may pay any cash interest that becomes due on the debt security by mailing a check to the holder at his, her, or its address shown on the trustee's records as of the close of business on the regular record date or by transfer to an account at a bank in the United States, in either case, on the due date.

#### ***Payment When Offices Are Closed***

If any payment is due on a debt security on a day that is not a business day, we will make the payment on the next day that is a business day. Payments made on the next business day in this situation will be treated under the indenture as if they were made on the original due date, except as otherwise indicated in the attached prospectus supplement. Such payment will not result in a default under any debt security or the indenture, and no interest will accrue on the payment amount from the original due date to the next day that is a business day.

Book-entry and other indirect holders should consult their banks or brokers for information on how they will receive payments on their debt securities.

#### **Events of Default**

You will have rights if an Event of Default occurs in respect of the debt securities of your series and is not cured, as described later in this subsection.

The term "Event of Default" in respect of the debt securities of your series means any of the following:

- we do not pay the principal of (or premium, if any, on) a debt security of the series within five days of its due date;
- we do not pay interest on a debt security of the series within 30 days of its due date;
- we do not deposit any sinking fund payment in respect of debt securities of the series within five days of its due date;
- we remain in breach of a covenant in respect of debt securities of the series for 60 days after we receive a written notice of default stating we are in breach (the notice must be sent by either the trustee or holders of at least 25.0% of the principal amount of debt securities of the series);
- we voluntarily file for bankruptcy or consent to the commencement of certain other events of bankruptcy, insolvency or reorganization;
- a court of competent jurisdiction enters an order or decree under bankruptcy law that is for relief against us in an involuntary case or proceeding, adjudges us bankrupt or insolvent or orders the winding up or liquidation of us and the continuance of any such decree or order remains undischarged or unstayed for a period of 90 days;
- the series of debt securities has an asset coverage, as such term is defined in the 1940 Act, of less than 100.0% on the last business day of each of 24 consecutive calendar months, giving effect to any exemptive relief granted to us by the SEC; or
- any other Event of Default in respect of debt securities of the series described in the prospectus supplement occurs.

An Event of Default for a particular series of debt securities does not necessarily constitute an Event of Default for any other series of debt securities issued under the same or any other indenture. The trustee may

withhold notice to the holders of debt securities of any default, except in the payment of principal, premium, interest, or sinking or purchase fund installment, if it in good faith considers the withholding of notice to be in the interest of the holders.

#### ***Remedies if an Event of Default Occurs***

If an Event of Default has occurred and is continuing, the trustee or the holders of not less than 25.0% in principal amount of the outstanding debt securities of the affected series may (and the trustee shall at the request of such holders) declare the entire principal amount of all the outstanding debt securities of that series to be due and immediately payable by a notice in writing to us (and to the trustee if given by such holders). This is called a declaration of acceleration of maturity. A declaration of acceleration of maturity may be canceled by the holders of a majority in principal amount of the outstanding debt securities of the affected series if (1) we have deposited with the trustee all amounts due and owing with respect to the securities (other than principal that has become due solely by reason of such acceleration) and certain other amounts, and (2) any other Events of Default have been cured or waived.

The trustee is not required to take any action under the indenture at the request of any holders unless the holders offer the trustee protection from expenses and liability reasonably satisfactory to it (called an "indemnity"). If indemnity reasonably satisfactory to the trustee is provided, the holders of a majority in principal amount of the outstanding debt securities of the relevant series may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. The trustee may refuse to follow those directions in certain circumstances. No delay or omission in exercising any right or remedy will be treated as a waiver of that right, remedy or Event of Default.

Before you are allowed to bypass your trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the debt securities, the following must occur:

- you must give the trustee written notice that an Event of Default with respect to the relevant series of debt securities has occurred and remains uncured;
- the holders of at least 25.0% in principal amount of all outstanding debt securities of the relevant series must make a written request that the trustee take action because of the default and must offer indemnity, security, or both reasonably satisfactory to the trustee against the costs, expenses, and other liabilities of taking that action;
- the trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity and/or security; and
- the holders of a majority in principal amount of the outstanding debt securities of that series must not have given the trustee a direction inconsistent with the above notice during that 60-day period.

However, you are entitled at any time to bring a lawsuit for the payment of money due on your debt securities on or after the due date.

**Book-entry and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to declare or cancel an acceleration of maturity.**

Each year, we will furnish to each trustee a written statement of certain of our officers certifying that to their knowledge we are in compliance with the indenture and the debt securities, or else specifying any default.

### **Waiver of Default**

Holders of a majority in principal amount of the outstanding debt securities of the affected series may waive any past defaults other than a default:

- in the payment of principal, any premium or interest; or
- in respect of a covenant that cannot be modified or amended without the consent of each holder.

### **Merger or Consolidation**

Under the terms of the indenture, we are generally permitted to consolidate or merge with another entity. We are also permitted to sell all or substantially all of our assets to another entity. However, we may not take any of these actions unless all the following conditions are met:

- where we merge out of existence or sell substantially all of our assets, the resulting entity or transferee must agree to be legally responsible for our obligations under the debt securities;
- the merger or sale of assets must not cause a default on the debt securities and we must not already be in default (unless the merger or sale would cure the default). For purposes of this no-default test, a default would include an Event of Default that has occurred and has not been cured, as described under “*Events of Default*” above. A default for this purpose would also include any event that would be an Event of Default if the requirements for giving us a notice of default or our default having to exist for a specific period of time were disregarded;
- we must deliver certain certificates and documents to the trustee; and
- we must satisfy any other requirements specified in the prospectus supplement relating to a particular series of debt securities.

### **Modification or Waiver**

There are three types of changes we can make to the indenture and the debt securities issued thereunder.

#### ***Changes Requiring Your Approval***

First, there are changes that we cannot make to your debt securities without your specific approval. The following is a list of those types of changes:

- change the stated maturity of the principal or interest on a debt security or the terms of any sinking fund with respect to any security;
- reduce any amounts due on a debt security;
- reduce the amount of principal payable upon acceleration of the maturity of an original issue discount or indexed security following a default or upon the redemption thereof or the amount thereof provable in a bankruptcy proceeding;
- adversely affect any right of repayment at the holder’s option;
- change the place or currency of payment on a debt security (except as otherwise described in the prospectus or prospectus supplement);
- impair your right to sue for payment;
- adversely affect any right to convert or exchange a debt security in accordance with its terms;
- modify the subordination provisions in the indenture in a manner that is adverse to outstanding holders of the debt securities;

- reduce the percentage of holders of debt securities whose consent is needed to modify or amend the indenture;
- reduce the percentage of holders of debt securities whose consent is needed to waive compliance with certain provisions of the indenture or to waive certain defaults;
- modify any other aspect of the provisions of the indenture dealing with supplemental indentures with the consent of holders, waiver of past defaults, changes to the quorum or voting requirements or the waiver of certain covenants; and
- change any obligation we have to pay additional amounts.

***Changes Not Requiring Approval***

The second type of change does not require any vote by the holders of the debt securities. This type is limited to clarifications, establishment of the form or terms of new securities of any series as permitted by the indenture and certain other changes that would not adversely affect holders of the outstanding debt securities in any material respect. We also do not need any approval to make any change that affects only debt securities to be issued under the indenture after the change takes effect.

***Changes Requiring Majority Approval***

Any other change to the indenture and the debt securities would require the following approval:

- if the change affects only one series of debt securities, it must be approved by the holders of a majority in principal amount of that series; and
- if the change affects more than one series of debt securities issued under the same indenture, it must be approved by the holders of a majority in principal amount of all of the series affected by the change, with all affected series voting together as one class for this purpose.

In each case, the required approval must be given by written consent.

The holders of a majority in principal amount of a series of debt securities issued under the indenture, voting together as one class for this purpose, may waive our compliance with some of the covenants applicable to that series of debt securities. However, we cannot obtain a waiver of a payment default or of any of the matters covered by the bullet points included above under “*Changes Requiring Your Approval*.”

***Further Details Concerning Voting***

When taking a vote, we will use the following rules to decide how much principal to attribute to a debt security:

- for original issue discount securities, we will use the principal amount that would be due and payable on the voting date if the maturity of these debt securities were accelerated to that date because of a default;
- for debt securities whose principal amount is not known (for example, because it is based on an index), we will use the principal face amount at original issuance or a special rule for that debt security described in the prospectus supplement; and
- for debt securities denominated in one or more foreign currencies, we will use the U.S. dollar equivalent.

Debt securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust money for their payment or redemption or if we, any other obligor, or any affiliate of us or any obligor own such debt securities. Debt securities will also not be eligible to vote if they have been fully defeased as described later under “*Defeasance—Full Defeasance*”.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding indenture securities that are entitled to vote or take other action under the indenture. However, the record date may not be more than 30 days before the date of the first solicitation of holders to vote on or take such action. If we set a record date for a vote or other action to be taken by holders of one or more series, that vote or action may be taken only by persons who are holders of outstanding indenture securities of those series on the record date and must be taken within 11 months following the record date.

**Book-entry and other indirect holders should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the indenture or the debt securities or request a waiver.**

#### **Defeasance**

The following provisions will be applicable to each series of debt securities unless we state in the applicable prospectus supplement that the provisions of covenant defeasance and full defeasance will not be applicable to that series.

#### **Covenant Defeasance**

Under current U.S. federal tax law and the indenture, we can make the deposit described below and be released from some of the restrictive covenants in the indenture under which the particular series was issued. This is called "covenant defeasance". In that event, you would lose the protection of those restrictive covenants but would gain the protection of having money and government securities set aside in trust to repay your debt securities. If we achieved covenant defeasance and your debt securities were subordinated as described under "*Indenture Provisions—Subordination*" below, such subordination would not prevent the trustee under the indenture from applying the funds available to it from the deposit described in the first bullet below to the payment of amounts due in respect of such debt securities for the benefit of the subordinated debt holders. In order to achieve covenant defeasance, the following must occur:

- we must deposit in trust for the benefit of all holders of a series of debt securities a combination of cash (in such currency in which such securities are then specified as payable at stated maturity) or government obligations applicable to such securities (determined on the basis of the currency in which such securities are then specified as payable at stated maturity) that will generate enough cash to make interest, principal and any other payments on the debt securities on their various due dates and any mandatory sinking fund payments or analogous payments;
- we must deliver to the trustee a legal opinion of our counsel confirming that, under current U.S. federal income tax law, we may make the above deposit without causing you to be taxed on the debt securities any differently than if we did not make the deposit;
- we must deliver to the trustee a legal opinion of our counsel stating that the above deposit does not require registration by us under the 1940 Act and a legal opinion and officers' certificate stating that all conditions precedent to covenant defeasance have been complied with;
- defeasance must not result in a breach or violation of, or result in a default under, of the indenture or any of our other material agreements or instruments, as applicable;
- no default or event of default with respect to such debt securities shall have occurred and be continuing and no defaults or events of default related to bankruptcy, insolvency or reorganization shall occur during the next 90 days; and
- satisfy the conditions for covenant defeasance contained in any supplemental indentures.

If we accomplish covenant defeasance, you can still look to us for repayment of the debt securities if there were a shortfall in the trust deposit or the trustee is prevented from making payment. For example, if one of the



remaining Events of Default occurred (such as our bankruptcy) and the debt securities became immediately due and payable, there might be such a shortfall. However, there is no assurance that we would have sufficient funds to make payment of the shortfall.

#### **Full Defeasance**

If there is a change in U.S. federal tax law or we obtain an IRS ruling, as described in the second bullet below, we can legally release ourselves from all payment and other obligations on the debt securities of a particular series (called "full defeasance") if we put in place the following other arrangements for you to be repaid:

- we must deposit in trust for the benefit of all holders of a series of debt securities a combination of cash (in such currency in which such securities are then specified as payable at stated maturity) or government obligations applicable to such securities (determined on the basis of the currency in which such securities are then specified as payable at stated maturity) that will generate enough cash to make interest, principal and any other payments on the debt securities on their various due dates and any mandatory sinking fund payments or analogous payments;
- we must deliver to the trustee a legal opinion confirming that there has been a change in current U.S. federal tax law or an IRS ruling that allows us to make the above deposit without causing you to be taxed on the debt securities any differently than if we did not make the deposit. Under current U.S. federal tax law, the deposit and our legal release from the debt securities would be treated as though we paid you your share of the cash and notes or bonds at the time the cash and notes or bonds were deposited in trust in exchange for your debt securities and you would recognize gain or loss on the debt securities at the time of the deposit;
- we must deliver to the trustee a legal opinion of our counsel stating that the above deposit does not require registration by us under the 1940 Act and a legal opinion and officers' certificate stating that all conditions precedent to defeasance have been complied with;
- defeasance must not result in a breach or violation of, or constitute a default under, of the indenture or any of our other material agreements or instruments, as applicable;
- no default or event of default with respect to such debt securities shall have occurred and be continuing and no defaults or events of default related to bankruptcy, insolvency or reorganization shall occur during the next 90 days; and
- satisfy the conditions for full defeasance contained in any supplemental indentures.

If we ever did accomplish full defeasance, as described above, you would have to rely solely on the trust deposit for repayment of the debt securities. You could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors, as applicable, if we ever became bankrupt or insolvent. If your debt securities were subordinated as described later under "*Indenture Provisions—Subordination*", such subordination would not prevent the trustee under the indenture from applying the funds available to it from the deposit referred to in the first bullet of the preceding paragraph to the payment of amounts due in respect of such debt securities for the benefit of the subordinated debt holders.

#### **Form, Exchange and Transfer of Certificated Registered Securities**

If registered debt securities cease to be issued in book-entry form, they will be issued:

- only in fully registered certificated form;
- without interest coupons; and
- unless we indicate otherwise in the prospectus supplement, in denominations of \$1,000 and amounts that are multiples of \$1,000.

Holders may exchange their certificated securities for debt securities of smaller denominations or combined into fewer debt securities of larger denominations, as long as the total principal amount is not changed and as long as the denomination is greater than the minimum denomination for such securities.

Holders may exchange or transfer their certificated securities at the office of the trustee. We have appointed the trustee to act as our agent for registering debt securities in the names of holders transferring debt securities. We may appoint another entity to perform these functions or perform them ourselves.

Holders will not be required to pay a service charge to transfer or exchange their certificated securities, but they may be required to pay any tax or other governmental charge associated with the transfer or exchange. The transfer or exchange will be made only if our transfer agent, as applicable, is satisfied with the holder's proof of legal ownership.

If we have designated additional transfer agents for your debt security, they will be named in the prospectus supplement. We may appoint additional transfer agents or cancel the appointment of any particular transfer agent. We may also approve a change in the office through which any transfer agent acts.

If any certificated securities of a particular series are redeemable and we redeem less than all the debt securities of that series, we may block the transfer or exchange of those debt securities during the period beginning 15 days before the day we mail the notice of redemption and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. We may also refuse to register transfers or exchanges of any certificated securities selected for redemption, except that we will continue to permit transfers and exchanges of the unredeemed portion of any debt security that will be partially redeemed.

If a registered debt security is issued in book-entry form, only the depository will be entitled to transfer and exchange the debt security as described in this subsection, since it will be the sole holder of the debt security.

#### **Resignation of Trustee**

Each trustee may resign or be removed with respect to one or more series of indenture securities provided that a successor trustee is appointed to act with respect to these series and has accepted such appointment. In the event that two or more persons are acting as trustee with respect to different series of indenture securities under the indenture, each of the trustees will be a trustee of a trust separate and apart from the trust administered by any other trustee.

#### **Indenture Provisions—Subordination**

Upon any distribution of our assets upon our dissolution, winding up, liquidation or reorganization, the payment of the principal of (and premium, if any) and interest, if any, on any indenture securities denominated as subordinated debt securities is to be subordinated to the extent provided in the indenture in right of payment to the prior payment in full of all Senior Indebtedness (as defined below), but our obligation to you to make payment of the principal of (and premium, if any) and interest, if any, on such subordinated debt securities will not otherwise be affected. In addition, no payment on account of principal (or premium, if any), sinking fund or interest, if any, may be made on such subordinated debt securities at any time unless full payment of all amounts due in respect of the principal (and premium, if any), sinking fund and interest on Senior Indebtedness has been made or duly provided for in money or money's worth.

In the event that, notwithstanding the foregoing, any payment by us is received by the trustee in respect of subordinated debt securities or by the holders of any of such subordinated debt securities, upon our dissolution, winding up, liquidation or reorganization before all Senior Indebtedness is paid in full, the payment or distribution must be paid over to the holders of the Senior Indebtedness or on their behalf for application to the payment of all the Senior Indebtedness remaining unpaid until all the Senior Indebtedness has been paid in full,

after giving effect to any concurrent payment or distribution to the holders of the Senior Indebtedness. Subject to the payment in full of all Senior Indebtedness upon this distribution by us, the holders of such subordinated debt securities will be subrogated to the rights of the holders of the Senior Indebtedness to the extent of payments made to the holders of the Senior Indebtedness out of the distributive share of such subordinated debt securities.

By reason of this subordination, in the event of a distribution of our assets upon our insolvency, certain of our senior creditors may recover more, ratably, than holders of any subordinated debt securities or the holders of any indenture securities that are not Senior Indebtedness. The indenture provides that these subordination provisions will not apply to money and securities held in trust under the defeasance provisions of the indenture.

Senior Indebtedness is defined in the indenture as the principal of (and premium, if any) and unpaid interest on:

- our indebtedness (including indebtedness of others guaranteed by us), whenever created, incurred, assumed or guaranteed, for money borrowed that we have designated as "Senior Indebtedness" for purposes of the indenture and in accordance with the terms of the indenture (including any indenture securities designated as Senior Indebtedness), and
- renewals, extensions, modifications and refinancings of any of this indebtedness.

If this prospectus is being delivered in connection with the offering of a series of indenture securities denominated as subordinated debt securities, the accompanying prospectus supplement will set forth the approximate amount of our Senior Indebtedness and of our other indebtedness outstanding as of a recent date.

#### **Secured Indebtedness and Ranking**

Certain of our indebtedness, including certain series of indenture securities, may be secured. The prospectus supplement for each series of indenture securities will describe the terms of any security interest for such series and will indicate the approximate amount of our secured indebtedness as of a recent date. Any unsecured indenture securities will effectively rank junior to any secured indebtedness, including any secured indenture securities, that we incur in the future to the extent of the value of the assets securing such future secured indebtedness. The debt securities, whether secured or unsecured, will rank structurally junior to all existing and future indebtedness (including trade payables) incurred by any subsidiaries, financing vehicles, or similar facilities we may have.

In the event of our bankruptcy, liquidation, reorganization or other winding up any of our assets that secure secured debt will be available to pay obligations on unsecured debt securities only after all indebtedness under such secured debt has been repaid in full from such assets. We advise you that there may not be sufficient assets remaining to pay amounts due on any or all unsecured debt securities then outstanding after fulfillment of this obligation. As a result, the holders of unsecured indenture securities may recover less, ratably, than holders of any of our secured indebtedness.

#### **The Trustee under the Indenture**

U.S. Bank National Association serves as the trustee under the indenture.

**REGULATION**

We are subject to regulation as described in “*Item 1. Business — Regulation*” of our most recent Annual Report on Form 10-K, which is incorporated by reference herein.

## PLAN OF DISTRIBUTION

We may offer from time to time, in one or more offerings or series, up to \$500,000,000 of our common stock, preferred stock, debt securities, subscription rights to purchase shares of our common stock, and/or warrants representing rights to purchase shares of our common stock, preferred stock or debt securities, in one or more underwritten public offerings, at-the-market offerings, negotiated transactions, block trades, best efforts offerings or a combination of these methods.

We may sell the securities through underwriters or dealers, directly to one or more purchasers, including existing stockholders in a rights offering by us, through agents or through a combination of any such methods of sale. In the case of a rights offering, the applicable prospectus supplement will set forth the number of shares of our common stock issuable upon the exercise of each right and the other terms of such rights offering. Any underwriter or agent involved in the offer and sale of the securities will be named in the applicable prospectus supplement. A prospectus supplement or supplements will also describe the terms of the offering of the securities, including: the purchase price of the securities and the proceeds we will receive from the sale; any over-allotment options under which underwriters may purchase additional securities from us; any agency fees or underwriting discounts and other items constituting agents' or underwriters' compensation; the public offering price; any discounts or concessions allowed or re-allowed or paid to dealers; and any securities exchange or market on which the securities may be listed. Only underwriters named in the prospectus supplement will be underwriters of the securities offered by the prospectus supplement.

The distribution of the securities may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed, at prevailing market prices at the time of sale, at prices related to such prevailing market prices, or at negotiated prices, provided, however, that the offering price per share of common stock, less any underwriting commissions and discounts or agency fees paid, must equal or exceed the NAV per share of our common stock at the time of the offering except (i) in connection with a rights offering to our existing stockholders, (ii) with the prior approval of the majority (as defined in the 1940 Act) of our common stockholders, or (iii) under such other circumstances as the SEC may permit. Any offering of securities by us that requires the consent of the majority of our common stockholders, must occur, if at all, within one year after receiving such consent. The price at which the securities may be distributed may represent a discount from prevailing market prices.

In connection with the sale of our securities, underwriters or agents may receive compensation from us or from purchasers of our securities, for whom they may act as agents, in the form of discounts, concessions or commissions. Our common stockholders will bear, directly or indirectly, such expenses payable by us, as well as any other fees and the expenses incurred by us in connection with any offering of the securities, including debt securities.

Underwriters may sell our securities to or through dealers and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agents. Underwriters, dealers and agents that participate in the distribution of our securities may be deemed to be underwriters under the Securities Act, and any discounts and commissions they receive from us and any profit realized by them on the resale of our securities may be deemed to be underwriting discounts and commissions under the Securities Act. Any such underwriter or agent will be identified and any such compensation received from us will be described in the applicable prospectus supplement.

Any underwriter may engage in over-allotment, stabilizing transactions, short-covering transactions and penalty bids in accordance with Regulation M under the Exchange Act in connection with an offering of our securities. Over-allotment involves sales in excess of the offering size, which create a short position. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum price. Syndicate-covering or other short-covering transactions involve purchases of the securities, either through exercise of the over-allotment option or in the open market after the distribution is completed, to cover short positions. Penalty bids permit the underwriters to reclaim a selling concession from a dealer when the securities originally sold by the dealer are purchased in a stabilizing or covering transaction to

cover short positions. Those activities may cause the price of the securities to be higher than it would otherwise be. If commenced, the underwriters may discontinue any of the activities at any time.

Any underwriters that are qualified market makers on the NASDAQ may engage in passive market-making transactions in our common stock, preferred stock, subscription rights, warrants or debt securities, as applicable, on the NASDAQ in accordance with Regulation M under the Exchange Act, during the business day prior to the pricing of the offering, before the commencement of offers or sales of the securities. Passive market makers must comply with applicable volume and price limitations and must be identified as passive market makers. In general, a passive market maker must display its bid at a price not in excess of the highest independent bid for such security; if all independent bids are lowered below the passive market maker's bid, however, the passive market maker's bid must then be lowered when certain purchase limits are exceeded.

We may sell securities directly or through agents we designate from time to time. We will name any agent involved in the offering and sale of securities and we will describe any commissions we will pay the agent in the prospectus supplement. Unless the prospectus supplement states otherwise, our agent will act on a best-efforts basis for the period of its appointment.

Unless otherwise specified in the applicable prospectus supplement, each class or series of securities will be a new issue with no trading market, other than our common stock, which is listed on the NASDAQ under the symbol "PTMN". We may elect to list any other class or series of securities on any exchanges, but we are not obligated to do so. We cannot guarantee the liquidity of the trading markets for any securities.

Under agreements into which we may enter, underwriters, dealers and agents who participate in the distribution of our securities may be entitled to indemnification by us against certain liabilities, including liabilities under the Securities Act, or contribution with respect to payments that the agents or underwriters may make with respect to these liabilities. Underwriters, dealers and agents may engage in transactions with, or perform services for, us in the ordinary course of business.

If so indicated in the applicable prospectus supplement, we will authorize underwriters or other persons acting as our agents to solicit offers by certain institutions to purchase our securities from us pursuant to contracts providing for payment and delivery on a future date. Institutions with which such contracts may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions and others, but in all cases such institutions must be approved by us. The obligations of any purchaser under any such contract will be subject to the condition that the purchase of our securities shall not at the time of delivery be prohibited under the laws of the jurisdiction to which such purchaser is subject. The underwriters and such other agents will not have any responsibility in respect of the validity or performance of such contracts. Such contracts will be subject only to those conditions set forth in the prospectus supplement, and the prospectus supplement will set forth the commission payable for solicitation of such contracts.

We may enter into derivative transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. If the applicable prospectus supplement indicates, in connection with those derivatives, the third parties may sell securities covered by this prospectus and the applicable prospectus supplement, including in short sale transactions. If so, the third party may use securities pledged by us or borrowed from us or others to settle those sales or to close out any related open borrowings of stock, and may use securities received from us in settlement of those derivatives to close out any related open borrowings of stock. The third parties in such sale transactions will be underwriters and, if not identified in this prospectus, will be identified in the applicable prospectus supplement (or a post-effective amendment).

In order to comply with the securities laws of certain states, if applicable, our securities offered hereby will be sold in such jurisdictions only through registered or licensed brokers or dealers. In addition, in certain states, our securities may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

**CUSTODIAN, TRANSFER AND DIVIDEND PAYING AGENT AND REGISTRAR**

Our assets are held by U.S. Bank National Association pursuant to a custody agreement. The principal business address of U.S. Bank National Association is One Federal Street, 3rd Floor, Boston, Massachusetts 02110. Equiniti Trust Company, LLC, serves as our transfer agent, registrar and dividend disbursing agent, pursuant to a transfer agency and registrar services agreement. The principal business address of Equiniti Trust Company, LLC, is 48 Wall Street, 23<sup>rd</sup> floor New York, New York, 10043.

U.S. Bank National Association serves as our trustee under an indenture and the third supplemental indenture thereto relating to the 2026 Notes, is the paying agent, registrar and transfer agent relating to the 2026 Notes. The principal business address of U.S. Bank National Association is One Federal Street, 10th Floor, Boston, MA 02110.

**BROKERAGE ALLOCATION AND OTHER PRACTICES**

Since we will generally acquire and dispose of investments in privately negotiated transactions, we will infrequently use brokers in the normal course of our business. Subject to policies established by our Board, our Adviser will be primarily responsible for the execution of the publicly traded securities portion of our portfolio transactions and the allocation of brokerage commissions. Our Adviser does not expect to execute transactions through any particular broker or dealer, but will seek to obtain the best net results for us, taking into account such factors as price (including the applicable brokerage commission or dealer spread), size of order, difficulty of execution and operational facilities of the firm and the firm's risk and skill in positioning blocks of securities. While our Adviser generally will seek reasonably competitive trade execution costs, we will not necessarily pay the lowest spread or commission available. Subject to applicable legal requirements, our Adviser may select a broker based partly upon brokerage or research services provided to us, our Adviser and any other accounts. Such brokerage or research services may include research reports on companies, industries and securities; economic and financial data; financial publications; computer data bases; quotation equipment and services; and research-oriented computer hardware, software and other services. In return for such services, we may pay a higher commission than other brokers would charge if our Adviser determines in good faith that such commission is reasonable in relation to the services provided.

**LEGAL MATTERS**

Certain legal matters regarding the securities offered by this prospectus will be passed upon for the Company by Dechert LLP.

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#### EXPERTS

Deloitte & Touche LLP, located at 30 Rockefeller Plaza, 41st Floor, New York, New York 10112 is our independent registered public accounting firm. Deloitte & Touche LLP audits our financial statements and provides audit related services.

The financial statements incorporated in this prospectus by reference to our most recent Annual Report on Form 10-K have been so incorporated in reliance on the report of Deloitte & Touche LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.



## INCORPORATION BY REFERENCE

This prospectus is part of a registration statement that we have filed with the SEC. The SEC allows us to “incorporate by reference” the information that we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to comprise a part of this prospectus from the date we file that document. Any reports filed by us with the SEC after the date of this prospectus and before the date that the offering of the securities by means of this prospectus is terminated will automatically update and, where applicable, supersede any information contained in this prospectus or incorporated by reference in this prospectus.

We incorporate by reference into this prospectus the documents listed below that we have previously filed with the SEC, and any reports and other documents we subsequently file pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to the termination of the offering of the securities covered by this prospectus, including all such filings we may file with the SEC after the date of the initial filing of the registration statement of which this prospectus is part and prior to its effectiveness, will also be incorporated by reference into this prospectus and deemed to be part of this prospectus from the date of the filing of such reports and documents; provided, however, that information “furnished” under Item 2.02 or Item 7.01 of Form 8-K, or other information “furnished” to the SEC, which is not deemed filed is not and will not be incorporated by reference in this prospectus and any accompanying prospectus supplement:

- our Annual Report on [Form 10-K](#) for the fiscal year ended December 31, 2023, filed with the SEC on March 13, 2024;
- our Quarterly Report on [Form 10-Q](#) for the quarter ended September 30, 2024, filed with the SEC on November 7, 2024;
- our Definitive Proxy Statement on [Schedule 14A](#), filed with the SEC on April 29, 2024; and
- any description of shares of our common stock contained in a registration statement filed pursuant to the Exchange Act and any amendment or report filed for the purpose of updating such description.

To obtain copies of these filings, see “*Available Information*.”

AVAILABLE INFORMATION

This prospectus is part of a registration statement we filed with the SEC. This prospectus does not contain all of the information set forth in the registration statement, some of which is contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and the securities we are offering under this prospectus, we refer you to the registration statement, including the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or other document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed or incorporated by reference as an exhibit is qualified in all respects by such exhibit.

We file with or submit to the SEC annual, quarterly and current reports, proxy statements and other information meeting the informational requirements of the Exchange Act. The SEC maintains a website that contains reports, proxy and information statements and other information filed electronically by us with the SEC, which are available free of charge at [www.sec.gov](http://www.sec.gov). This information is also available free of charge by contacting us by telephone at (212) 891-2880 or on our website at [www.portmanridge.com](http://www.portmanridge.com). Information contained on our website is not incorporated by reference into this prospectus or any prospectus supplement, and you should not consider that information to be part of this prospectus or any prospectus supplement.

You can request a copy of any of our SEC filings (other than exhibits, unless the exhibits are specifically incorporated by reference into these documents), including those incorporated by reference herein, at no cost, by writing or telephoning us at the following address or telephone number:

Portman Ridge Finance Corporation  
650 Madison Avenue, 3<sup>rd</sup> Floor  
New York, New York 10022  
(212) 891-2880  
Attn: Secretary

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\$500,000,000

**Portman Ridge Finance Corporation**

**Common Stock**  
**Preferred Stock**  
**Subscription Rights**  
**Warrants**  
**Debt Securities**

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**PROSPECTUS**

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[       ], 2024

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## PART C

## OTHER INFORMATION

**Item 25. Financial Statements and Exhibits**

- (1) Financial statements

The report of Deloitte & Touche LLP, our independent registered public accounting firm, dated March 13, 2024, and the audited consolidated financial statements as of each of December 31, 2023 and December 31, 2022 and for each of the three years in the period ended December 31, 2023 have been incorporated by reference in this registration statement in “*Part A—Information Required in a Prospectus.*”

The unaudited consolidated financial statements as of September 30, 2024 and for each of the nine months ended September 30, 2024 and September 30, 2023 have been incorporated by reference in this registration statement in “*Part A—Information Required in a Prospectus.*”

- (2) Exhibits

- (a)(1) [Form of Certificate of Incorporation of the Company \(incorporated by reference to Exhibit A of the Pre-Effective Amendment No. 1 on Form N-2, filed on October 6, 2006\).](#)
- (a)(2) [Certificate of Amendment \(incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed on April 2, 2019\).](#)
- (a)(3) [Certificate of Amendment to Certificate of Incorporation of Portman Ridge Finance Corporation \(the Reverse Stock Split Certificate of Amendment\) \(incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed on August 26, 2021\).](#)
- (a)(4) [Certificate of Amendment to Certificate of Incorporation of the Company, \(the Decrease Shares Certificate of Amendment\) \(incorporated by reference to Exhibit 3.2 of the Company's Current Report on Form 8-K, filed on August 26, 2021\).](#)
- (b) [Third Amended and Restated Bylaws of Portman Ridge Finance Corporation, dated as of July 20, 2021 \(incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed on July 21, 2021\).](#)
- (c) Not applicable.
- (d)(1) [Specimen certificate of the Company's common stock, par value \\$0.01 per share \(incorporated by reference to Exhibit D.1 of the Pre-Effective Amendment No. 1 on Form N-2, filed on October 6, 2006\).](#)
- (d)(2) [Form of Base Indenture between the Company and U.S. Bank National Association \(incorporated by reference to Exhibit D.3 of the Registration Statement on Form N-2, filed on October 3, 2012\).](#)
- (d)(3) [Third Supplemental Indenture, dated as of April 30, 2021, relating to the 4.875% Notes due 2026, by and between the Company and U.S. Bank National Association, as trustee \(incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on May 3, 2021\).](#)
- (d)(4) [Form of 4.875% Notes due 2026 \(incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K, filed on May 3, 2021\).](#)
- (e) [Form of Dividend Reinvestment Plan \(incorporated by reference to Exhibit E of the Pre-Effective Amendment No. 2 of the Registration Statement on Form N-2, filed on November 20, 2006\).](#)
- (f) Not applicable.
- (g) [Investment Advisory Agreement, dated April 1, 2019, by and between the Company and Sierra Crest Investment Management LLC \(incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K, filed on April 2, 2019\).](#)

- (h) Not applicable.
- (i) Not applicable.
- (j) [Form of Amended and Restated Custody Agreement, dated June 29, 2020, by and between the Company and U.S. Bank National Association.\\*](#)
- (k)(1) [Administration Agreement, dated April 1, 2019, by and between the Company and BC Partners Management LLC \(incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K, filed on April 2, 2019\).](#)
- (k)(2) [Incentive Fee Letter Agreement, dated April 1, 2019, by and between the Company and BC Partners Management LLC \(incorporated by reference to Exhibit 10.2 of the Current Report on Form 8-K filed on April 2, 2019\).](#)
- (k)(3) [Loan and Security Agreement, dated as of December 18, 2019, among Great Lakes Portman Ridge Funding LLC, The Lenders Party Hereto, The Collateral Administrator, Collateral Agent ad Securities Intermediary Party Hereto, JPMorgan Chase Bank, National Association, as Administrative Agent and Portman Ridge Finance Corporation, as Portfolio Manager \(incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed on December 23, 2019\).](#)
- (k)(4) [First Amendment to Loan and Security Agreement, dated as of April 29, 2022, among Great Lakes Portman Ridge Funding LLC, the Lenders Party thereto, the Collateral Administrator, Collateral Agent, and Securities Intermediary Party thereto, JPMorgan Chase Bank, National Association, as Administrative Agent and Portman Ridge Finance Corporation, as Portfolio Manager \(incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed on May 5, 2022\).](#)
- (k)(5) [Loan and Security Agreement Conformed Through the Second Amendment, dated as of July 23, 2024, among Great Lakes Portman Ridge Funding LLC, The Lenders Party Hereto, The Collateral Administrator, Collateral Agent ad Securities Intermediary Party Hereto, JPMorgan Chase Bank, National Association, as Administrative Agent and Portman Ridge Finance Corporation, as Portfolio Manager \(incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed on July 29, 2024\).](#)
- (l) [Opinion and consent of Dechert LLP.\\*](#)
- (m) Not applicable.
- (n)(1) [Consent of Deloitte & Touche LLP.\\*](#)
- (o) Not applicable.
- (p) Not applicable.
- (q) Not applicable.
- (r)(1) [Code of Ethics of the Company, \(incorporated by reference to Exhibit \(r\) of Pre-Effective Amendment No. 1 to the Company's Registration Statement on Form N-2, filed on February 4, 2022\).](#)
- (r)(2) [Code of Ethics of Sierra Crest Investment Management LLC.\\*](#)
- (s) [Calculation of Filing Fee Table.\\*](#)
- (t) [Power of Attorney.\\*](#)

\* Filed herewith.

#### Item 26. Marketing Arrangements

The information contained under the heading "*Plan of Distribution*" in the prospectus that is included in this registration statement is incorporated by reference herein.

**Item 27. Other Expenses of Issuance and Distribution**

Securities and Exchange Commission registration fee	\$ 0*
FINRA filing fee	500**
NASDAQ listing fees	125,000**
Printing expenses	100,000**
Accounting fees and expenses	200,000**
Legal fees and expenses	400,000**
Miscellaneous	50,000**
<b>Total</b>	<b>\$ 875,500**</b>

\* This amount has been offset against filing fees associated with unsold securities registered under a previous registration statement.

\*\* Estimated for filing purposes.

**Item 28. Persons Controlled by or Under Common Control**

The information contained under the headings “*Portman Ridge Finance Corporation*,” “*Management*” and “*Control Persons and Principal Stockholders*” in this Registration Statement is incorporated by reference herein.

The following table sets forth the Company’s consolidated subsidiaries.

Katonah Management Holdings LLC (Delaware)	100%
Katonah X Management LLC (Delaware)	100%
Katonah 2007-I Management LLC (Delaware)	100%
KCAP Management, LLC (Delaware)	100%
Commodore Holdings, LLC (Delaware)	100%
KCAP Coastal, LLC (Delaware)	100%
Great Lakes KCAP Funding I, LLC (Delaware)	100%
PTMN Sub Holdings LLC (Delaware)	100%
Great Lakes Portman Ridge Funding I, LLC (Delaware)	100%
Kohlberg Capital Funding LLC I (Delaware)	100%
OHA Funding GP, LLC (Texas)	100%
OHA Nevada, LLC (Nevada)	100%
OHA Funding, LP (Texas)	100%
OHA Asset Holdings GP, LLC (Texas)	100%
OHA Asset Holdings II, LP (Texas)	100%
OHA/OCI Investments, LLC (Delaware)	100%
OHA Investment Corporation Sub, LLC (Delaware)	100%
Garrison Capital Equity Holdings I LLC (Delaware)	100%
Garrison Capital Equity Holdings II LLC (Delaware)	83%
Garrison Capital Equity Holdings VIII LLC (Delaware)	100%
Garrison Capital Equity Holdings XI LLC (Delaware)	100%
GIG Rooster Holdings I LLC (Delaware)	100%
Portman Ridge Funding 2018-2 Ltd. (Cayman Islands)	100%
Portman Ridge Funding 2018-2 LLC (Delaware)	100%
KCAP Freedom 3, LLC (Delaware)	63%
HCAP Equity Holdings, LLC (Delaware)	100%
HCAP ICC, LLC (Delaware)	100%

**Item 29. Number of Holders of Securities**

The following table sets forth the approximate number of record holders of the Company's common stock as of October 31, 2024:

<u>Title of Class</u>	<u>Number of Record Holders</u>
Common Stock, \$0.01 par value	47

**Item 30. Indemnification**

The indemnification of our officers and directors is governed by Section 145 of the DGCL, our certificate of incorporation and bylaws. Section 145(a) of the DGCL empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if (1) such person acted in good faith, (2) in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation and (3) with respect to any criminal action or proceeding, such person had no reasonable cause to believe the person's conduct was unlawful.

Section 145(b) of the DGCL empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the corporation, and except that no indemnification may be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Delaware Court of Chancery or such other court deems proper.

Section 145 of the DGCL further provides that to the extent that a present or former director or officer is successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in subsections (a) and (b) of Section 145 of the DGCL, or in defense of any claim, issue or matter therein, such person will be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with such action, suit or proceeding. In all cases in which indemnification is permitted under subsections (a) and (b) of Section 145 of the DGCL (unless ordered by a court), it will be made by the corporation only as authorized in the specific case upon a determination that indemnification of the present or former director, officer, employee or agent is proper in the circumstances because the applicable standard of conduct has been met by the party to be indemnified. Such determination must be made, with respect to a person who is a director or officer at the time of such determination, (1) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, (2) by a committee of such directors designated by majority vote of such directors, even though less than a quorum, (3) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion or (4) by the stockholders. The statute authorizes the corporation to pay expenses incurred by an officer or director in advance of the final disposition of a proceeding upon receipt of an undertaking by or on behalf of the person to whom the advance will be made, to repay the advances if it is ultimately determined that he or she was not entitled to



indemnification. Section 145 of the DGCL also provides that indemnification and advancement of expenses permitted under such Section are not to be exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors, or otherwise. Section 145 of the DGCL also authorizes the corporation to purchase and maintain liability insurance on behalf of its directors, officers, employees and agents regardless of whether the corporation would have the statutory power to indemnify such persons against the liabilities insured.

Our certificate of incorporation provides that our directors will not be liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by the current DGCL or as the DGCL may be amended. Section 102(b)(7) of the DGCL provides that the personal liability of a director to a corporation or its stockholders for breach of fiduciary duty as a director may be eliminated except for liability (1) for any breach of the director's duty of loyalty to the registrant or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the DGCL, relating to unlawful payment of dividends or unlawful stock purchases or redemption of stock or (4) for any transaction from which the director derives an improper personal benefit.

Under our certificate of incorporation, we fully indemnify any person who was or is involved in any actual or threatened action, suit or proceeding by reason of the fact that such person is or was one of our directors or officers. So long as we are regulated under the 1940 Act, the above indemnification and limitation of liability is limited by the 1940 Act or by any valid rule, regulation or order of the SEC thereunder. The 1940 Act provides, among other things, that a company may not indemnify any director or officer against liability to it or its security holders to which he or she might otherwise be subject by reason of his or her willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his or her office unless a determination is made by final decision of a court, by vote of a majority of a quorum of directors who are disinterested, non-party directors or by independent legal counsel that the liability for which indemnification is sought did not arise out of the foregoing conduct.

We have obtained liability insurance for our directors and officers. In addition, we have entered into indemnification agreements with each of our directors and officers in order to effect the foregoing except to the extent that such indemnification would exceed the limitations on indemnification under Section 17(h) of the 1940 Act.

Pursuant to Rule 484 under the Securities Act of 1933, as amended, the Company furnishes the following undertaking: "Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers and controlling persons of the Company pursuant to the provisions described above, or otherwise, the Company has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person in the successful defense of an action, suit or proceeding) is asserted by a director, officer or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue".

### **Item 31. Business and Other Connections of Investment Adviser**

A description of any other business, profession, vocation or employment of a substantial nature in which our Adviser, and each managing director, director or executive officer of our Adviser, is or has been during the past two fiscal years, engaged in for his or her own account or in the capacity of director, officer, employee, partner or trustee, is set forth in Part A of this registration statement in the section entitled "*Portfolio Management*" or is otherwise incorporated by reference into Part A of this registration statement. Additional information regarding our Adviser and its officers and directors is set forth in its Form ADV, as filed with the SEC (SEC File No. 801-114566), and is incorporated by reference herein.

**Item 32. Location of Accounts and Records**

All accounts, books and other documents required to be maintained by Section 31(a) of the 1940 Act, and the rules thereunder are maintained at the offices of:

- (1) the Company: Portman Ridge Finance Corporation, 650 Madison Avenue, 3<sup>rd</sup> Floor, New York, New York 10022;
- (2) the Custodian: U.S. Bank National Association, Corporate Trust Services, One Federal Street, 3rd Floor, Boston, MA 02110;
- (3) the Transfer and Dividend Paying Agent and Registrar: Equiniti Trust Company, LLC, 48 Wall Street, 23<sup>rd</sup> Floor, New York, New York 10043;
- (4) the Company's Adviser: Sierra Crest Investment Management LLC, 650 Madison Avenue, 3<sup>rd</sup> Floor, New York, New York 10022; and
- (5) the Company's Administrator: BC Partners Management LLC, 650 Madison Avenue, 3<sup>rd</sup> Floor, New York, New York 10022.

**Item 33. Management Services**

Not applicable.

**Item 34. Undertakings**

1. Not applicable.
2. Not applicable.
3. We hereby undertake:
  - a. that, for the purpose of determining any liability under the Securities Act, each post-effective amendment to the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of those securities at that time shall be deemed to be the initial bona fide offering thereof.
  - b. to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
  - c. that, for the purpose of determining liability under the Securities Act to any purchaser that:
    - (1) if we are relying on Rule 430B:
      - (A) each prospectus filed pursuant to Rule 424(b)(3) shall be deemed to be part of the Registration Statement as of the date the filed prospectus was deemed part of and included in the Registration Statement; and
      - (B) each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (x), or (xi) for the purpose of providing the information required by Section 10(a) of the Securities Act shall be deemed to be part of and included in the Registration Statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the Registration Statement relating to the securities in the Registration Statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; provided, however, that no statement made in a registration statement or prospectus that is part of the Registration Statement or made in a document incorporated or deemed incorporated by reference into the Registration Statement or

prospectus that is part of the Registration Statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the Registration Statement or prospectus that was part of the Registration Statement or made in any such document immediately prior to such effective date; or

- (2) if we are subject to Rule 430C under the Securities Act, each prospectus filed pursuant to Rule 424(b) under the Securities Act as part of this Registration Statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness, provided, however, that no statement made in a registration statement or prospectus that is part of the Registration Statement or made in a document incorporated or deemed incorporated by reference into the Registration Statement or prospectus that is part of the Registration Statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the Registration Statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.
- d. that for the purpose of determining our liability under the Securities Act to any purchaser in the initial distribution of securities, we undertake that in a primary offering of our securities pursuant to this Registration Statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, we will be a seller to the purchaser and will be considered to offer or sell such securities to the purchaser:
- (1) any preliminary prospectus or prospectus of us relating to the offering required to be filed pursuant to Rule 424 under the Securities Act;
  - (2) free writing prospectuses relating to the offering prepared by or on behalf of us or used or referred to by us;
  - (3) the portion of any other free writing prospectuses or advertisement pursuant to Rule 482 under the Securities Act relating to the offering containing material information about us or our securities provided by or on behalf of us; and
  - (4) any other communication that is an offer in the offering made by us to the purchaser.
4. Not applicable.
5. We hereby undertake that, for purposes of determining any liability under the Securities Act, each filing of our annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference into the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
6. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons, we have been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by any of our directors, officers or controlling persons in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, we undertake, unless in the opinion of our counsel the matter has been settled by controlling precedent, to submit to a court of appropriate jurisdiction the question whether such indemnification by us is against public policy as expressed in the Securities Act and we will be governed by the final adjudication of such issue.
7. We hereby undertake to send by first class mail or other means designed to ensure equally prompt delivery, within two business days of receipt of a written or oral request, any prospectus or Statement of Additional Information.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, as amended (the "Securities Act"), the Registrant has duly caused this Registration Statement on Form N-2 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, in the State of New York, on November 25, 2024.

PORTMAN RIDGE FINANCE CORPORATION

By: /s/ Edward Goldthorpe  
Name: Edward Goldthorpe  
Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Act, this Registration Statement on Form N-2 has been signed by the following persons in the capacities and on the dates indicated. This document may be executed by the signatories hereto on any number of counterparts, all of which constitute one and the same instrument.

Signature	Title	Date
<u>/s/ Edward Goldthorpe</u> Edward Goldthorpe	President and Chief Executive Officer (Principal Executive Officer)	November 25, 2024
<u>/s/ Brandon Satoren</u> Brandon Satoren	Chief Financial Officer, Secretary and Treasurer (Principal Financial and Principal Accounting Officer)	November 25, 2024
<u>/s/ Patrick Schafer</u> Patrick Schafer	Director	November 25, 2024
<u>*</u> Alexander Duka	Director	November 25, 2024
<u>*</u> George Grunebaum	Director	November 25, 2024
<u>*</u> Jennifer Kwon Chou	Director	November 25, 2024
<u>*</u> Dean C. Kehler	Director	November 25, 2024
<u>*</u> Robert Warshauer	Director	November 25, 2024
<u>*</u> Matthew Westwood	Director	November 25, 2024
<u>*</u> Joseph Morea	Director	November 25, 2024

\*By: /s/ Brandon Satoren  
Name: Brandon Satoren  
Title: Attorney-in-fact

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AMENDED AND RESTATED CUSTODY AGREEMENT

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dated as of June 29, 2020  
by and between

PORTMAN RIDGE FINANCE CORPORATION  
("Company")

and

U.S. BANK NATIONAL ASSOCIATION  
("Custodian")

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SCHEDULES

SCHEDULE A – Schedule of Custodial Fees

THIS AMENDED AND RESTATED CUSTODY AGREEMENT (this "Agreement") is dated as of June 29, 2020 and is by and between PORTMAN RIDGE FINANCE CORPORATION (formerly Kohlberg Capital Corporation and, along with any successor or permitted assign, the "Company"), a corporation organized under the laws of the State of Delaware, and U.S. BANK NATIONAL ASSOCIATION (or any successor or permitted assign acting as custodian hereunder, the "Custodian"), a national banking association.

RECITALS

WHEREAS, the Company is a closed-end management investment company that is regulated as a business development company under the Investment Company Act of 1940, as amended (the "1940 Act");

WHEREAS, the Company and the Custodian have previously entered into that certain Custodian Agreement dated as of December 1, 2006 (the "Prior Agreement");

WHEREAS, the Company desires to continue to retain U.S. Bank National Association to act as custodian for the Company and each Subsidiary (as defined below) hereafter identified to the Custodian;

WHEREAS, the Company desires that the Company's Securities (as defined below) and cash be held and administered by the Custodian pursuant to this Agreement; and

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereto agree to amend and restate the Prior Agreement as follows:

**DEFINITIONS**

1.1 Defined Terms. In addition to terms expressly defined elsewhere herein, the following words shall have the following meanings as used in this Agreement:

“Account” or “Accounts” means the Cash Account, the Securities Account, any Subsidiary Cash Account and any Subsidiary Securities Account, collectively.

“Agreement” means this Amended and Restated Custody Agreement (as the same may be amended from time to time in accordance with the terms hereof).

“Authorized Person” has the meaning set forth in Section 7.4(a).

“Business Day” means any day that is not Saturday or Sunday and is not a legal holiday or a day in which banking institutions generally are authorized or obligated by law or regulation to remain closed in New York, New York, or the city in which the Custodian (pursuant to Section 15 hereunder) or any sub-custodian, including any Foreign Sub-custodian, is located.

“Cash Account” or “Cash Accounts” means any or all of the accounts to be established at the Custodian to which the Custodian shall deposit or credit and hold any cash Proceeds denominated in U.S. Dollars received by it from time to time from or with respect to the Securities or the sale of the Securities of the Company, as applicable, which accounts shall be designated the “Portman Ridge Finance Corporation Cash Account” and any such other account as may be designated by the Custodian to the Company.

“Company” has the meaning set forth in the first paragraph of this Agreement.

“Confidential Information” means any databases, computer programs, screen formats, report formats, interactive design techniques, and other similar or related information that may be furnished to the Company by the Custodian from time to time pursuant to this Agreement.

“Custodian” has the meaning set forth in the first paragraph of this Agreement.

“Eligible Investment” means any investment that at the time of its acquisition is one or more of the following:

(a) United States government and agency obligations;

(b) commercial paper having a rating assigned to such commercial paper by Standard & Poor’s Rating Services or Moody’s Investor Service, Inc. (or, if neither such organization shall rate such commercial paper at such time, by any nationally recognized rating organization in the United States of America) equal to one of the two highest ratings assigned by such organization, it being understood that as of the date hereof such ratings by Standard & Poor’s Rating Services are “A1+” and “A1” and such ratings by Moody’s Investor Service, Inc. are “P1” and “P2”;



(c) interest bearing deposits in United States dollars in United States or Canadian banks with an unrestricted surplus of at least U.S. \$250,000,000, maturing within one year; and

(d) money market funds (including funds of the bank serving as Custodian or its affiliates) or United States government securities funds designed to maintain a fixed share price and high liquidity.

“Eligible Securities Depository” has the meaning set forth in Section (b)(1) of Rule 17f-7 under the 1940 Act.

“Federal Reserve Bank Book-Entry System” means a depository and securities transfer system operated by the Federal Reserve Bank of the United States on which are eligible to be held all United States Government direct obligation bills, notes and bonds.

“Financing Documents” has the meaning set forth in Section 3.3(b)(ii).

“Foreign Intermediary” means a Foreign Sub-custodian and Eligible Securities Depository.

“Foreign Sub-custodian” means and includes (i) any branch of a “U.S. Bank,” as that term is defined in Rule 17f-5 under the 1940 Act, (ii) any “Eligible Foreign Custodian,” as that term is defined in Rule 17f-5 under the 1940 Act, having a contract with the Custodian in accordance with Section 6.6, which the Custodian has determined will provide reasonable care of assets of the Company based on the standards specified in Section 6.7 below.

“Foreign Securities” means Securities denominated in currencies other than U.S. Dollars or for which the primary market is outside the United States.

“Loan” means any commercial loan, or Participation therein, made by a bank or other financial institution that by its terms provides for payments of principal and/or interest, including discount obligations and payment-in-kind obligations, acquired by the Company from time to time.

“Loan Assignment Agreement” has the meaning set forth in Section 3.3(b)(ii).

“Participation” means an interest in a Loan that is acquired indirectly by way of a participation from a selling institution.

“Participation Agreement” has the meaning set forth in Section 3.3(b)(ii).

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof) unincorporated organization, or any government or agency or political subdivision thereof.

"Proceeds" means, collectively, (i) the net cash proceeds to the Company of any offering by the Company of any class of securities issued by the Company, (ii) all cash distributions, earnings, dividends, fees and other cash payments paid on the Securities (or, as applicable, Subsidiary Securities) by or on behalf of the issuer or obligor thereof, or applicable paying agent or administrative agent, (iii) the net cash proceeds of the sale or other disposition of the Securities (or, as applicable, Subsidiary Securities) pursuant to the terms of this Agreement (and any Reinvestment Earnings from investment of the foregoing) and (iv) the net cash proceeds to the Company of any borrowing or other financing by the Company.

"Proper Instructions" means instructions (including Trade Confirmations) received by the Custodian in form acceptable to it, from the Company or any Person duly authorized by the Company in any of the following forms acceptable to the Custodian:

- (a) in writing signed by an Authorized Person (and delivered by hand, by mail, by electronic mail, by overnight courier or by facsimile);
- (b) by electronic mail (or other electronic transmission) from an Authorized Person;
- (c) in a communication utilizing access codes effected between electro mechanical or electronic devices; or
- (d) such other means as may be agreed upon from time to time by the Custodian and the party giving such instructions, including oral instructions and any SWIFT Transmissions (as defined herein).

"Reinvestment Earnings" has the meaning set forth in Section 3.6(b).

"Responsible Officer" means any officer within the Global Corporate Trust/CDO Department of the Custodian (or any successor group of the Custodian) including any president, vice president, assistant vice president or officer of the Custodian customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred within the Global Corporate Trust/CDO Department of the Custodian (or any successor group of the Custodian) because of such person's knowledge of and familiarity with the particular subject and, in each case, having direct responsibility for the administration of this Agreement.

"Securities" means, collectively, (i) the investments, including Loans, acquired by the Company and delivered to the Custodian by the Company from time to time during the term of, and pursuant to the terms of, this Agreement and (ii) all dividends in kind (e.g., non-cash dividends) from the investments described in clause (i). For avoidance of confusion, the term "securities" includes stocks, shares, bonds, debentures, notes, mortgages or other obligations and any certificates, receipts, warrants or other instruments representing rights to receive, purchase, or subscribe for the same, or evidencing or representing any other rights or interests therein, or in any property or assets.

“Securities Account” means the segregated account to be established at the Custodian to which the Custodian shall deposit or credit and hold the U.S. Dollar-denominated Securities (other than Loans) received by it pursuant to this Agreement, which account shall be designated the “Portman Ridge Finance Corporation Securities Account”.

“Securities Depository” means The Depository Trust Company and any other clearing agency registered with the Securities and Exchange Commission under Section 17A of the Securities Exchange Act of 1934, as amended (the “1934 Act”), which acts as a system for the central handling of Securities where all Securities of any particular class or series of an issuer deposited within the system are treated as fungible and may be transferred or pledged by bookkeeping entry without physical delivery of the Securities.

“Securities System” means the Federal Reserve Book-Entry System, a clearing agency which acts as a Securities Depository, or another book entry system for the central handling of securities (including an Eligible Securities Depository).

“Street Delivery Custom” means a custom of the United States securities market to deliver securities which are being sold to the buying broker for examination to determine that the securities are in proper form.

“Street Name” means the form of registration in which the securities are held by a broker who is delivering the securities to another broker for the purposes of sale, it being an accepted custom in the United States securities industry that a security in Street Name is in proper form for delivery to a buyer and that a security may be re-registered by a buyer in the ordinary course.

“Subsidiary” means any wholly owned subsidiary of the Company identified to the Custodian by the Company.

“Subsidiary Cash Account” shall have the meaning set forth in Section 3.13(b).

“Subsidiary Securities” means, collectively, (i) the investments, including Loans, acquired by a Subsidiary and delivered to the Custodian from time to time during the term of, and pursuant to the terms of, this Agreement and (ii) all dividends in kind (e.g., non-cash dividends) from the investments described in clause (i).

“Subsidiary Securities Account” shall have the meaning set forth in Section 3.13(a).

“Trade Confirmation” means a trade ticket or confirmation to the Custodian from the Company of the Company’s acquisition of a Loan, and setting forth applicable information with respect to such Loan, in such form as may be acceptable to the Custodian.

“UCC” means the Uniform Commercial Code as in effect in the State of New York.

1.2 Construction. In this Agreement unless the contrary intention appears:

- (a) any reference to this Agreement or another agreement or instrument refers to such agreement or instrument as the same may be amended, modified or otherwise rewritten from time to time;
- (b) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) any term defined in the singular form may be used in, and shall include, the plural with the same meaning, and vice versa;
- (d) a reference to a Person includes a reference to the Person's executors, custodians, successors and permitted assigns;
- (e) an agreement, representation or warranty in favor of two or more Persons is for the benefit of them jointly and severally;
- (f) an agreement, representation or warranty on the part of two or more Persons binds them jointly and severally;
- (g) a reference to the term "including" means "including, without limitation,";
- (h) a reference to any accounting term is to be interpreted in accordance with generally accepted principles and practices in the United States, consistently applied, unless otherwise instructed by the Company; and
- (i) any reference to "execute", "executed", "sign", "signed", "signature" or any other like term hereunder shall include execution by electronic signature (including, without limitation, any .pdf file, .jpeg file, or any other electronic or image file, or any "electronic signature" as defined under the U.S. Electronic Signatures in Global and National Commerce Act ("E-SIGN") or the New York Electronic Signatures and Records Act ("ESRA"), which includes any electronic signature provided using Orbit, Adobe Sign, DocuSign, or any other similar platform identified by the Company and reasonably available at no undue burden or expense to the Custodian), except to the extent the Custodian requests otherwise. Any such electronic signatures shall be valid, effective and legally binding as if such electronic signatures were handwritten signatures and shall be deemed to have been duly and validly delivered for all purposes hereunder.

1.3 Headings. Headings are inserted for convenience and do not affect the interpretation of this Agreement.

2. **APPOINTMENT OF CUSTODIAN**

2.1 **Appointment and Acceptance.** The Company hereby appoints the Custodian as custodian of certain Securities and Proceeds owned by the Company and the Subsidiaries (as applicable) and delivered to the Custodian by the Company from time to time during the period of this Agreement, on the terms and conditions set forth in this Agreement (which shall include any addendum hereto which is hereby incorporated and made a part of this Agreement), and the Custodian hereby accepts such appointment and agrees to perform the services and duties set forth in this Agreement with respect to it subject to and in accordance with the provisions hereof. Any Account may contain any number of sub-accounts for the convenience of the Custodian or as required by the Company for convenience in administering such accounts.

2.2 **Instructions.** The Company agrees that it shall from time to time provide, or cause to be provided, to the Custodian all necessary instructions and information, and shall respond promptly to all inquiries and requests of the Custodian, as may reasonably be necessary to enable the Custodian to perform its duties hereunder.

2.3 **Company Responsible For Directions.** The Company is solely responsible for directing the Custodian with respect to deposits to, withdrawals from and transfers to or from the Accounts. Without limiting the generality of the foregoing, the Custodian has no responsibility for the Company's compliance with the 1940 Act, any restrictions, covenants, limitations or obligations to which the Company may be subject or for which it may have obligations to third-parties in respect of the Accounts, and the Custodian shall have no liability for the application of any funds made at the direction of the Company. The Company shall be solely responsible for properly instructing all applicable payors to make all appropriate payments to the Custodian for deposit to the Accounts, and for properly instructing the Custodian with respect to the allocation or application of all such deposits.

3. **DUTIES OF CUSTODIAN**

3.1 **Segregation.** All Securities and non-cash property held by the Custodian, as applicable, for the account of the Company (other than Securities maintained in a Securities Depository or Securities System) shall be physically segregated from other Securities and non-cash property in the possession of the Custodian and shall be identified as subject to this Agreement.

3.2 **Securities Custody Account.** The Custodian shall open and maintain a segregated account in the name of the Company, subject only to order of the Custodian, in which the Custodian shall enter and carry, subject to Section 3.3(b), all U.S. Dollar-denominated Securities (other than Loans), Proceeds denominated in U.S. Dollars and other assets of the Company which are delivered to it in accordance with this Agreement. For avoidance of doubt, the Custodian shall not be required to credit or deposit Loans in the Securities Account but shall instead maintain a register (in book-entry form or in such other form as it shall deem necessary or desirable) of such Loans, containing such information as the Company and the Custodian may reasonably agree.

The Custodian shall have no power or authority to assign, hypothecate, pledge or otherwise dispose of any such Securities and investments except pursuant to the direction of the Company under the terms of this Agreement.

3.3 Delivery of Securities to Custodian.

- (a) The Company shall deliver, or cause to be delivered, to the Custodian certain of the Company's Securities, cash and other investment assets, including payments of income, payments of principal and capital distributions received by the Company with respect to such Securities, cash or other assets owned by the Company at any time during the period of this Agreement. With respect to assets other than Loans, such assets shall be delivered to the Custodian in its role as, and (where relevant) at the address identified for, the Custodian. Except to the extent otherwise expressly provided herein, delivery of Securities to the Custodian shall be in Street Name or other good delivery form. The Custodian shall not be responsible for such Securities, cash or other assets until actually delivered to, and received by it.
- (b) (i) In connection with its acquisition of a Loan or other delivery of a Security constituting a Loan, the Company shall deliver or cause to be delivered to the Custodian a properly completed Trade Confirmation containing such information in respect of such Loan as the Custodian may reasonably require in order to enable the Custodian to perform its duties hereunder in respect of such Loan on which the Custodian may conclusively rely without further inquiry or investigation, in such form and format as the Custodian reasonably may require.
- (ii) Notwithstanding any term hereof or elsewhere to the contrary, (a) it is hereby expressly acknowledged that (i) interests in Loans may be acquired by the Company from time to time which are not evidenced by, or accompanied by delivery of, a Security or an instrument, as that term is defined in Section 9-102(a)(4a) of the UCC, and may be evidenced solely by delivery to the Custodian of a facsimile or electronic copy of an assignment agreement ("Loan Assignment Agreement") in favor of the Company as assignee or, in respect of any Loan acquired by participation interest, a participation agreement (a "Participation Agreement") in favor of the Customer as participant, (ii) any such Loan Assignment Agreement or Participation Agreement (and the registration of the related Loan on the books and records of the applicable obligor or bank agent) shall be registered in the name of the Company (or its nominee), and (iii) any duty on the part of the Custodian with respect to such Loan shall be limited to the exercise of reasonable care by the Custodian in the physical custody of any such Loan Assignment Agreement, Participation Agreement, and any related instrument, security, credit agreement, assignment agreement and/or other agreements or documents, if any (collectively, "Financing Documents"), that may be delivered to it, and (b) nothing herein shall require the Custodian to credit to the Securities Account, any other account that may be opened hereunder or to treat as a financial asset (within the meaning of Section 8-102(a)(9) of the UCC)

any such Loan or other asset in the nature of a general intangible (as defined in Section 9-102(a)(42) of the UCC) or to "maintain" a sufficient quantity thereof. The Custodian is not under a duty to examine any such Financing Documents, or any underlying credit agreements or loan documents for such Loan to determine the validity, sufficiency, marketability or enforceability of any Loan Assignment Agreement, Participation Agreement or other Financing Document (and shall have no responsibility for the genuineness or completeness thereof), or for the Company's title to any related Loan. The Custodian may assume the genuineness of each such Financing Document it may receive and the genuineness and due authority of any signatures appearing thereon, and shall be entitled to assume that each such Financing Document it may receive is what it purports to be. If an original Security or instrument is or shall be or become available with respect to any such Loan, it shall be the sole responsibility of the Company to make or cause delivery thereof to the Custodian, and the Custodian shall not be under any obligation at any time to determine whether any such original security or instrument has been or is required to be issued or made available in respect of any Loan or to compel or cause delivery thereof to the Custodian.

(iii) The Custodian may assume the genuineness of any such Financing Document it may receive and the genuineness and due authority of any signatures appearing thereon, and shall be entitled to assume that each such Financing Document it may receive is what it purports to be. If an original "security" or "instrument" as defined in Section 8-102 and Section 9-102(a)(47) of the UCC, respectively, is or shall be or become available with respect to any Loan to be held by the Custodian under this Agreement, it shall be the sole responsibility of the Company to make or cause delivery thereof to the Custodian, and the Custodian shall not be under any obligation at any time to determine whether any such original security or instrument has been or is required to be issued or made available in respect of any Loan or to compel or cause delivery thereof to the Custodian.

(iv) Contemporaneously with the acquisition of any Loan, the Company shall (i) cause any appropriate Financing Documents evidencing such Loan to be delivered to the Custodian; (ii) if requested by the Custodian, provide to the Custodian an amortization schedule of principal payments and a schedule of the interest payable date(s) identifying the amount and due dates of all scheduled principal and interest payments for such Loan and (iii) provide a properly completed Trade Confirmation containing such information in respect of such Loan as the Custodian may reasonably require in order to enable the Custodian to perform its duties hereunder in respect of such Loan on which the Custodian may conclusively rely without further inquiry or investigation, in such form and format as the Custodian reasonably may require; (iv) take all actions necessary for the Company to acquire good title to such Loan; and (v) take all actions as may be necessary (including appropriate payment notices and instructions to bank agents or other applicable paying agents or administrative agents) to cause (A) all payments in respect of the Loan to be made to the Custodian and (B) all notices,

solicitations and other communications in respect of such Loan to be directed to the Company. The Custodian shall have no liability for any delay or failure on the part of the Company to provide necessary information to the Custodian, or for any inaccuracy therein or incompleteness thereof, or for any delay or failure on the part of the Company to give such effective payment instruction to bank agents and other paying agents or administrative agents, in respect of the Loans. With respect to each such Loan, the Custodian shall be entitled to rely on any information and notices it may receive from time to time from the related bank agent, obligor, participating bank, nationally recognized pricing service or vendor, reputable financial information reporting source or similar party with respect to the related Loan, and shall be entitled to update its records (as it may deem necessary or appropriate), or from the Company, on the basis of such information or notices received, without any obligation on its part independently to verify, investigate or recalculate such information.

3.4 Release of Securities.

(a) The Custodian shall release and if applicable, ship for delivery, or direct its agents or sub-custodian to release and if applicable, ship for delivery, as the case may be, Securities of the Company held by the Custodian, its agents or its sub-custodian from time to time upon receipt of Proper Instructions (which shall, among other things, specify the Securities to be released, with such delivery and other information as may be necessary to enable the Custodian to perform), which may be standing instructions (in form acceptable to the Custodian) in the following cases:

- (i) upon sale of such Securities by or on behalf of the Company and, such sale may, unless and except to the extent otherwise directed by Proper Instructions, be carried out by the Custodian:
  - (A) in accordance with the customary or established practices and procedures in the jurisdiction or market where the transactions occur, including delivery to the purchaser thereof or to a dealer therefor (or an agent of such purchaser or dealer) against expectation of receiving later payment; or
  - (B) in the case of a sale effected through a Securities System, in accordance with the rules governing the operations of the Securities System;
- (ii) upon the receipt of payment in connection with any repurchase agreement related to such Securities;
- (iii) to a depositary agent in connection with tender or other similar offers for such Securities;



- (iv) to the issuer thereof or its agent when such Securities are called, redeemed, retired or otherwise become payable (unless otherwise directed by Proper Instructions, the cash or other consideration is to be delivered to the Custodian, its agents or its sub-custodian);
- (v) to an issuer thereof, or its agent, for transfer into the name of the Custodian or of any nominee of the Custodian or into the name of any of its agents or sub-custodian or their nominees or for exchange for a different number of bonds, certificates or other evidence representing the same aggregate face amount or number of units;
- (vi) to brokers clearing banks or other clearing agents for examination in accordance with the Street Delivery Custom;
- (vii) for exchange or conversion pursuant to any plan of merger, consolidation, recapitalization, reorganization or readjustment of the Securities of the issuer of such Securities, or pursuant to any deposit agreement (unless otherwise directed by Proper Instructions, the new securities and cash, if any, are to be delivered to the Custodian, its agents or its sub-custodian);
- (viii) in the case of warrants, rights or similar securities, the surrender thereof in the exercise of such warrants, rights or similar securities or the surrender of interim receipts or temporary securities for definitive securities (unless otherwise directed by Proper Instructions, the new securities and cash, if any, are to be delivered to the Custodian, its agents or its sub-custodian); and/or
- (ix) for any other purpose, but only upon receipt of Proper Instructions.

**3.5 Registration of Securities.** Securities held by the Custodian, its agents or its sub-custodian (other than bearer securities, securities held in a Securities System or Securities that are noteless Loans or Participations) shall be registered in the name of the Company or its nominee; or, at the option of the Custodian, in the name of the Custodian or in the name of any nominee of the Custodian, or in the name of its agents or its sub-custodian or their nominees; or if directed by the Company by Proper Instruction, may be maintained in Street Name. The Custodian, its agents and its sub-custodian shall not be obligated to accept Securities on behalf of the Company under the terms of this Agreement unless such Securities are in Street Name or other good deliverable form.

**3.6 Bank Accounts and Management of Cash.**

- (a) Proceeds and other cash denominated in U.S. Dollars and received by the Custodian from time to time shall be deposited into or credited to the respective Cash Account as designated by the Company. All amounts deposited into or credited to the designated Cash Account shall be subject to clearance and receipt of final payment by the Custodian.

- (b) Amounts held in each respective Cash Account from time to time may be invested in Eligible Investments pursuant to specific written Proper Instructions (which may be standing instructions) received by the Custodian from an Authorized Person acting on behalf of the Company. Such investments shall be subject to availability and the Custodian's then applicable transaction charges (which shall be at the Company's expense). The Custodian shall have no liability for any loss incurred on any such investment. Absent receipt of such written instruction from the Company, the Custodian shall have no obligation to invest (or otherwise pay interest on) amounts on deposit in each respective Cash Account. In no instance will the Custodian have any obligation to provide investment advice to the Company. Any earnings from such investment of amounts held in the Cash Accounts from time to time (collectively, "Reinvestment Earnings") shall be redeposited in the respective Cash Account (and may be reinvested at the written direction of the Company). The Custodian shall have no liability for any losses on any investments made as described herein.
  - (c) In the event that the Company shall at any time request a withdrawal of amounts from any of the Cash Accounts, the Custodian shall be entitled to liquidate, and shall have no liability for any loss incurred as a result of the liquidation of, any investment of the funds credited to such account as needed to provide necessary liquidity. Investment instructions may be in the form of standing instructions (in the form of Proper Instructions acceptable to Custodian).
  - (d) The Company acknowledges that cash deposited or invested with any bank (including the bank acting as Custodian) may make a margin or generate banking income for which such bank shall not be required to account to the Company.
  - (e) The Custodian shall be authorized to open such additional accounts as may be necessary or convenient for administration of its duties hereunder.
- 3.7 Foreign Exchange.
- (a) Upon the receipt of Proper Instructions, the Custodian, its agents or its sub-custodian may (but shall not be obligated to) enter into all types of contracts for foreign exchange on behalf of the Company, upon terms acceptable to the Custodian and the Company (in each case at the Company's expense), including transactions entered into with the Custodian, its sub-custodian or any affiliates of the Custodian or the sub-custodian. The Custodian shall have no liability for any losses incurred in or resulting from the rates obtained in such foreign exchange transactions; and absent specific and acceptable Proper Instructions, the Custodian shall not be deemed to have any duty to carry out any foreign exchange on behalf of the Company. The Custodian shall be entitled at all times to comply with any legal or regulatory requirements applicable to currency or foreign exchange transactions.

- (b) The Company acknowledges that the Custodian, any sub-custodian or any affiliates of the Custodian or any sub-custodian, involved in any such foreign exchange transactions may make a margin or generate banking income from foreign exchange transactions entered into pursuant to this section for which they shall not be required to account to the Company.

**3.8 Collection of Income.** Subject to Section 7.8 hereof, the Custodian, its agents or its sub-custodian shall use reasonable efforts to collect on a timely basis all income and other payments with respect to the Securities held hereunder to which the Company shall be entitled, to the extent consistent with usual custom in the securities custodian business in the United States. Nothing herein shall be construed to obligate the Custodian to (i) undertake any collection actions on behalf of the Company against any issuer or obligor (or agents thereof) of a Security or (ii) commence, prosecute or defend legal proceedings in any instance, whether on behalf of the Company on its own behalf or otherwise, with respect to any matter arising hereunder or relating to this Agreement or the services contemplated hereby.

**3.9 Payment of Moneys.**

- (a) Upon receipt of Proper Instructions, which may be standing instructions, the Custodian shall pay out from the respective Cash Account designated by the Company (or remit to its agents or its sub-custodian, and direct them to pay out) moneys of the Company on deposit therein in the following cases:
- (i) upon the purchase of Securities for the Company pursuant to such Proper Instructions; and such purchase may, unless and except to the extent otherwise directed by Proper Instructions, be carried out by the Custodian:
    - (A) in accordance with the customary or established practices and procedures in the jurisdiction or market where the transactions occur, including delivering money to the seller thereof or to a dealer therefor (or any agent for such seller or dealer) against expectation of receiving later delivery of such securities; or
    - (B) in the case of a purchase effected through a Securities System, in accordance with the rules governing the operation of such Securities System;
  - (ii) for the purchase or sale of foreign exchange or foreign exchange agreements for the account of the Company, including transactions executed with or through the Custodian, its agents or its sub-custodian, as contemplated by Section 3.8 above; and
  - (iii) for any other purpose directed by the Company, but only upon receipt of Proper Instructions specifying the amount of such payment, and naming the Person or Persons to whom such payment is to be made.

(b) At any time or times, the Custodian shall be entitled to pay (i) itself from any of the Cash Accounts, whether or not in receipt of express direction or instruction from the Company, any amounts due and payable to it pursuant to Section 8 hereof, and (ii) as otherwise permitted by Section 7.5, Section 9.4 or Section 12.5 below, provided, however, that in each case all such payments shall be accounted for to the Company.

3.10 Proxies. The Custodian will, with respect to the Securities held hereunder, use reasonable efforts to cause to be made available to the Company proxies, proxy soliciting materials and notices relating to such Securities received by the Custodian from its agents or its sub-custodians or from issuers of the Securities being held for the Company in respect of the Assets, without indication of the manner in which such proxies are to be voted. The Company may respond to such proxies, or may provide Proper Instructions to the Custodian to respond to such proxies on its behalf. In order for the Custodian to act, it must receive Proper Instructions no later than the deadline applicable to responses for corporate actions for the bank serving as Custodian. In the absence of such Proper Instructions, or in the event that such Proper Instructions are not received in a timely fashion, the Custodian shall be under no duty to act with regard to such proxies. Notwithstanding the above, neither the Custodian nor any nominee of the Custodian shall vote any of the Securities held hereunder by or for the account of the Company, except in accordance with Proper Instructions.

3.11 Communications Relating to Securities. The Custodian shall transmit promptly to the Company all written information (including proxies, proxy soliciting materials, notices, pendency of calls and maturities of Securities and expirations of rights in connection therewith) received by the Custodian, from its agents or its sub-custodian or from issuers of the Securities being held for the Company. The Custodian shall have no obligation or duty to exercise any right or power, or otherwise to preserve rights, in or under any Securities unless and except to the extent it has received timely Proper Instruction from the Company in accordance with the next sentence. The Custodian will not be liable for any untimely exercise of any right or power in connection with Securities at any time held by the Custodian, its agents or sub-custodian unless:

- (i) the Custodian has received Proper Instructions with regard to the exercise of any such right or power; and
- (ii) the Custodian, or its agents or sub-custodian are in actual possession of such Securities,

in each case, at least three (3) Business Days prior to the date on which such right or power is to be exercised. It will be the responsibility of the Company to notify the Custodian of the Person to whom such communications must be forwarded under this Section.

3.12 Records. The Custodian shall create and maintain complete and accurate records relating to its activities under this Agreement with respect to the Securities, cash or other property held for the Company under this Agreement. To the extent that the Custodian, in its sole opinion, is able to do so, the Custodian shall provide assistance to the Company (at the Company's reasonable request made from time to time) by providing sub-

certifications regarding certain of its services performed hereunder to the Company in connection with the Company's certification requirements pursuant to the Sarbanes Oxley Act of 2002, as amended. All such records shall be the property of the Company and shall at all times during the regular business hours of the Custodian be open for inspection by duly authorized officers, employees or agents of the Company (including its independent public accountants) and employees and agents of the Securities and Exchange Commission, upon reasonable request and at least five Business Days' prior written notice and at the Company's expense. The Custodian shall, at the Company's request, supply the Company with a tabulation of securities owned by the Company and held by the Custodian and shall, when requested to do so by the Company and for such compensation as shall be agreed upon between the Company and the Custodian, include, to the extent applicable, the certificate numbers in such tabulations, to the extent such information is available to the Custodian.

3.13 Custody of Subsidiary Securities.

- (a) At the request of the Company, with respect to each Subsidiary identified to the Custodian by the Company, there shall be established at the Custodian a segregated account to which the Custodian shall deposit and hold any Subsidiary Securities (other than Loans) received by it (and any Proceeds received by it in the form of dividends in kind) pursuant to this Agreement, which account shall be designated the "[INSERT NAME OF SUBSIDIARY] Securities Account" (the "Subsidiary Securities Account").
- (b) At the request of the Company, with respect to each Subsidiary identified to the Custodian by the Company, there shall be established at the Custodian a segregated account to which the Custodian shall deposit and hold any cash Proceeds received by it from time to time from or with respect to Subsidiary Securities, which account shall be designated the "[INSERT NAME OF SUBSIDIARY] Cash Proceeds Account" (the "Subsidiary Cash Account").
- (c) To the maximum extent possible, the provisions of this Agreement regarding Securities of the Company, the Securities Account and the Cash Account shall be applicable to any Subsidiary Securities, cash and other investment assets, Subsidiary Securities Account and Subsidiary Cash Account, respectively. The parties hereto agree that the Company shall notify the Custodian in writing as to the establishment of any Subsidiary as to which the Custodian is to serve as custodian pursuant to the terms of this Agreement; and identify in writing any accounts the Custodian shall be required to establish for such Subsidiary as herein provided.

4. **REPORTING**

4.1 If requested by the Company, the Custodian shall render to the Company a monthly report of (i) all deposits to and withdrawals from the Cash Account during the month, and the outstanding balance (as of the last day of the preceding monthly report and as of the last day of the subject month) and (ii) an itemized statement of the Securities held pursuant to this Agreement as of the end of each month, as well as a list of all Securities transactions that remain unsettled at that time, and (iii) such other matters as the parties may agree from time to time.

4.2 For each Business Day, the Custodian shall render to the Company a daily report of (i) all deposits to and withdrawals from the Cash Account for such Business Day and the outstanding balance as of the end of such Business Day, and (ii) a report of settled trades of Securities for such Business Day.

4.3 The Custodian shall have no duty or obligation to undertake any market valuation of the Securities under any circumstance.

5. **DEPOSIT IN U.S. SECURITIES SYSTEMS**

The Custodian may deposit and/or maintain Securities in a Securities System within the United States in accordance with applicable Federal Reserve Board and Securities and Exchange Commission rules and regulations, and subject to the following provisions:

- (a) The Custodian may keep domestic Securities in a U.S. Securities System provided that such Securities are represented in an account of the Custodian in the U.S. Securities System which shall not include any assets of the Custodian other than assets held by it as a fiduciary, custodian or otherwise for customers;
- (b) The records of the Custodian with respect to Securities which are maintained in a U.S. Securities System shall identify by book-entry those Securities belonging to the Company;
- (c) If requested by the Company, the Custodian shall provide to the Company copies of all notices received from the U.S. Securities System of transfers of Securities for the account of the Company; and
- (d) Anything to the contrary in this Agreement notwithstanding, the Custodian shall not be liable to the Company for any direct loss, damage, cost, expense, liability or claim to the Company resulting from use of any Securities System.

6. **SECURITIES HELD OUTSIDE OF THE UNITED STATES**

6.1 Appointment of Foreign Sub-custodian. The Company hereby authorizes and instructs the Custodian to employ one or more Foreign Sub-custodians to hold the Foreign Securities of the Company maintained outside the United States. If the Custodian wishes to appoint a Foreign Sub-custodian to hold property of the Company subject to this Agreement, it will so notify the Company prior to such appointment.

6.2 Assets to be Held. The Custodian shall limit the Securities and other assets maintained in the custody of the Foreign Sub-custodian to: (a) Foreign Securities and (b) cash and cash equivalents in such amounts as the Company (through Proper Instructions) may determine to be reasonably necessary to effect the Company's transactions in such investments.

6.3 Omnibus Accounts. The Custodian may hold Foreign Securities and related Proceeds with one or more Foreign Sub-custodians or Eligible Securities Depositories in each case in a single account with such Foreign Sub-custodian or Eligible Securities Depository that is identified as belonging to the Custodian for the benefit of its customers; provided however, that the records of the Custodian with respect to Securities and related Proceeds that are property of the Company maintained in such account(s) shall identify by book-entry those Securities and other property as belonging to the Company.

6.4 Transactions in Foreign Custody Account. Notwithstanding any provision of this Agreement to the contrary, settlement and payment for Securities received by a Foreign Intermediary for the account of the Company may be effected in accordance with the customary established securities trading or securities processing practices and procedures in the jurisdiction or market in which the transaction occurs, including delivering securities to the purchaser thereof or to a dealer therefor (or an agent for such purchaser or dealer) against a receipt with the expectation of receiving later payment for such securities from such purchaser or dealer.

6.5 Reports Concerning Foreign Sub-custodian. The Custodian will supply to the Company, upon request from time to time, statements in respect of the Securities held by Foreign Sub-custodians or Eligible Securities Depositories, including an identification of the Foreign Sub-custodians and Eligible Securities Depositories having physical possession of the Foreign Securities.

6.6 Foreign Sub-custodian. Each contract or agreement pursuant to which the Custodian employs a Foreign Sub-custodian shall include provisions that provide: (i) for indemnification or insurance arrangements (or any combination of the foregoing) such that the Company will be adequately protected against the risk of loss of assets held in accordance with such contract; (ii) that the Company's assets will not be subject to any right, charge, security interest, lien or claim of any kind in favor of the Sub-custodian or its creditors (except a claim of payment for their safe custody or administration) or, in the case of cash deposits, liens or rights in favor of creditors of the Sub-custodian arising under bankruptcy, insolvency, or similar laws; (iii) that beneficial ownership for the Company's assets will be freely transferable without the payment of money or value other than for safe custody or administration; (iv) that adequate records will be maintained identifying the assets as belonging to the Company or as being held by a third party for the benefit of the Company; (v) that the Company's independent public accountants will be given access to those records or confirmation of the contents of those records; and (vi) that the Company will receive periodic reports with respect to the safekeeping of the Company's assets, including notification of any transfer to or from a Company's account or a third party account containing assets held for the benefit of the Company. Such contract may contain, in lieu of any or all of the provisions specified above, such other provisions that the Custodian determines will provide, in their entirety, the same or a greater level of care and protection for Company assets as the specified provisions, in their entirety.

6.7 Custodian's Responsibility for Foreign Sub-custodian.

- (a) With respect to its responsibilities under this Section 6, the Custodian agrees to exercise reasonable care, prudence and diligence such as a person having responsibility for the safekeeping of property of the Company would exercise. The Custodian further agrees that the Foreign Securities will be subject to reasonable care, based on the standards applicable to the Custodian in the relevant market, if maintained with each Foreign Sub-custodian, after considering all factors relevant to the safekeeping of such assets, including: (i) the Foreign Sub-custodian's practices, procedures, and internal controls, including the physical protections available for certificated securities (if applicable), the method of keeping custodial records, and the security and data protection practices; (ii) whether the Foreign Sub-custodian has the requisite financial strength to provide reasonable care for Company assets; (iii) the Foreign Sub-custodian's general reputation and standing and, in the case of Eligible Securities Depository, the Eligible Securities Depository's operating history and number of participants; and (iv) whether the Company will have jurisdiction over and be able to enforce judgments against the Foreign Sub-custodian, such as by virtue of the existence of any offices of the Foreign Sub-custodian in the United States or the Sub-custodian's consent to service of process in the United States.
- (b) At the end of each calendar quarter, the Custodian shall provide written reports notifying the board of directors of the Company as to the placement of the Foreign Securities and cash of the Company with a particular Foreign Sub-custodian and of any material changes in the Company's foreign custody arrangements. The Custodian shall promptly take such steps as may be required to withdraw assets of the Company from any Foreign Sub-custodian that has ceased to meet the requirements of Rule 17f-5 under the 1940 Act.
- (c) The Custodian shall establish a system to monitor the appropriateness of maintaining the Company's assets with a particular Foreign Sub-custodian and the performance of the contract governing the Company's arrangements with such Foreign Sub-custodian. To the extent the Custodian holds Foreign Securities and related Proceeds with one or more Eligible Securities Depositories, the Custodian shall provide the Company with an analysis of the custody risks associated with maintaining assets with such Eligible Securities Depository and shall monitor such custody risks on a continuing basis and promptly notify the Company of any material change in these risks. The Custodian agrees to exercise reasonable care, prudence and diligence in performing its obligations under this clause (c). If the Custodian determines that a custody arrangement with an Eligible Securities Depository no longer meets the requirements of this Section, the Company's Foreign Securities must be withdrawn from such depository as soon as reasonably practicable.
- (d) The Custodian's responsibility with respect to the selection or appointment of a Foreign Intermediary shall be limited to a duty to exercise reasonable care in the selection or retention of such Foreign Intermediary in light of prevailing settlement and securities handling practices, procedures and controls in the



relevant market. With respect to any costs, expenses, damages, liabilities, or claims (including attorneys' and accountants' fees) incurred as a result of the acts or the failure to act by any Foreign Intermediary, the Custodian shall take reasonable action to recover such costs, expenses, damages, liabilities, or claims from such Foreign Intermediary; provided that the Custodian's sole liability in that regard shall be limited to amounts actually received by it from such Foreign Intermediaries (exclusive of related costs and expenses incurred by the Custodian). The Custodian shall have no responsibility for any act or omission (or the insolvency of) any Securities System (including an Eligible Securities Depository). In the event the Company incurs a loss due to the negligence, willful misconduct, or insolvency of a Securities System (including an Eligible Securities Depository), the Custodian shall make best efforts, in its discretion, to seek recovery from the Eligible Securities Depository.

7.

**CERTAIN GENERAL TERMS**

7.1 **No Duty to Examine Financing Documents.** Nothing herein shall obligate the Custodian to review or examine the terms of any Financing Document, underlying instrument, certificate, credit agreement, indenture, loan agreement, promissory note, or other financing document evidencing or governing any Security to determine the validity, sufficiency, marketability or enforceability of any Security (and shall have no responsibility for the genuineness or completeness thereof), or otherwise.

7.2 **Resolution of Discrepancies.** In the event of any discrepancy between the information set forth in any report provided by the Custodian to the Company and any information contained in the books or records of the Company, the Company shall promptly notify the Custodian thereof and the parties shall cooperate to diligently resolve the discrepancy.

7.3 **Improper Instructions.** Notwithstanding anything herein to the contrary, the Custodian shall not be obligated to take any action (or forebear from taking any action), which it reasonably determines (at its sole option) to be contrary to the terms of this Agreement or applicable law. In no instance shall the Custodian be obligated to provide services on any day that is not a Business Day.

7.4 **Proper Instructions.**

(a) The Company will give written notice to the Custodian, in form acceptable to the Custodian, specifying the names and specimen signatures (whether manual, facsimile, pdf or other electronic signature) of persons authorized to give Proper Instructions (collectively, "Authorized Persons" and each is an "Authorized Person") which notice shall be signed (whether manual, facsimile, pdf or other electronic signature) by an Authorized Person previously certified to the Custodian. The Custodian shall be entitled to rely upon the identity and authority of such persons until it receives written notice from an Authorized Person of the Company to the contrary. The initial Authorized Persons are set forth on a

certificate provided separately to the Custodian (as may be modified from time to time by written notice from the Company to the Custodian). The Custodian shall be entitled to accept and act upon Proper Instructions sent by unsecured email, facsimile transmission or other similar unsecured electronic methods. If such person on behalf of the Company elects to give the Custodian email or facsimile instructions (or instructions by a similar electronic method) and the Custodian in its discretion elects to act upon such instructions, the Custodian's reasonable understanding of such instructions shall be deemed controlling. The Custodian shall not be liable for any losses, costs or expenses arising directly or indirectly from the Custodian's reliance upon and compliance with such instructions notwithstanding such instructions conflicting with or being inconsistent with a subsequent written instruction. The Company agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Custodian, including without limitation the risk of the Custodian acting on unauthorized instructions, and the risk of interception and misuse by third parties and acknowledges and agrees that there may be more secure methods of transmitting such instructions than the method(s) selected by it and agrees that the security procedures (if any) to be followed in connection with its transmission of such instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

- (b) The Custodian shall have no responsibility or liability to the Company (or any other person or entity), and shall be indemnified and held harmless by the Company, in the event that a subsequent written confirmation of an oral instruction fails to conform to the oral instructions received by the Custodian. The Custodian shall not have an obligation to act in accordance with purported instructions to the extent that they conflict with applicable law or regulations, local market practice or the Custodian's operating policies and practices. The Custodian shall not be liable for any loss resulting from a delay while it obtains clarification of any Proper Instructions.
- (c) [Reserved.]
- (d) The Company hereby directs the Custodian to accept instructions sent pursuant to secure financial messaging services provided by SWIFT ("SWIFT Transmissions") as Proper Instructions for all purposes hereunder. The Company instructs the Custodian to accept and process SWIFT Transmissions initiated by the Company (or the Advisor on its behalf) to the same extent that written wire transfer instructions are accepted and processed by the Custodian. The Custodian may conclusively rely on SWIFT Transmissions to release payments as instructed, subject to any verification of information as requested by the Custodian, including the call back process to an individual designated by the Company as authorized to provide such verification. The Custodian may also request, and the Company will provide, an additional signed direction (whether by manual, facsimile, .pdf or other electronic signature) in order for the Custodian to make such payment in connection with any SWIFT Transmission. For purposes of

compliance with any incumbency certificate of the Company, all instructions received by the Custodian through the methodology described herein shall be deemed in compliance with the procedures outlined therein (to the extent applicable).

**7.5 Actions Permitted Without Express Authority.** The Custodian may, at its discretion, without express authority from the Company:

- (a) make payments to itself as described in or pursuant to Section 3.9(b), or to make payments to itself or others for expenses of handling securities or other similar items relating to its duties under this Agreement, provided that all such payments shall be accounted for to the Company;
- (b) surrender Securities in temporary form for Securities in definitive form;
- (c) endorse for collection cheques, drafts and other negotiable instruments; and
- (d) in general, attend to all nondiscretionary details in connection with the sale, exchange, substitution, purchase, transfer and other dealings with the securities and property of the Company.

**7.6 Evidence of Authority.** The Custodian shall be protected in acting upon any instructions, notice, request, consent, certificate instrument or paper reasonably believed by it to be genuine and to have been properly executed (whether manual, facsimile, pdf or other electronic signature) or otherwise given by or on behalf of the Company by an Authorized Person. The Custodian may receive and accept a certificate signed (whether manual, facsimile, pdf or other electronic signature) by any Authorized Person as conclusive evidence of:

- (a) the authority of any person to act in accordance with such certificate; or
- (b) any determination or of any action by the Company as described in such certificate,

and such certificate may be considered as in full force and effect until receipt by the Custodian of written notice to the contrary from an Authorized Person of the Company.

**7.7 Receipt of Communications.** Any communication received by the Custodian on a day which is not a Business Day or after 3:30 p.m., Eastern time (or such other time as is agreed by the Company and the Custodian from time to time), on a Business Day will be deemed to have been received on the next Business Day (but in the case of communications so received after 3:30 p.m., Eastern time, on a Business Day the Custodian will use reasonable efforts to process such communications as soon as possible after receipt).

**7.8 Actions on the Loans.** The Custodian shall have no duty or obligation hereunder to take any action on behalf of the Company, to communicate on behalf of the Company, to collect amounts or proceeds in respect of, or otherwise to interact or exercise rights or remedies on behalf of the Company, with respect to any of the Loans. All such actions and communications are the responsibility of the Company.

8. **COMPENSATION OF CUSTODIAN**

8.1 Fees. The Custodian shall be entitled to compensation for its services in accordance with the terms set forth in Schedule A attached hereto and made a part hereof.

8.2 Expenses. The Company agrees to pay or reimburse to the Custodian upon its request from time to time all costs, disbursements, advances, expenses and indemnification amounts (including reasonable fees and expenses of counsel, agents and experts) incurred, and any disbursements and advances made (including any account overdraft resulting from any settlement or assumed settlement, provisional credit, chargeback, returned deposit item, reclaimed payment or claw-back, or the like), in connection with the preparation, execution or enforcement of this Agreement, or in connection with the transactions contemplated hereby or the administration of this Agreement or performance by the Custodian of its duties and services under this Agreement, from time to time (including costs and expenses of any action deemed necessary by the Custodian to collect any amounts owing to it under this Agreement).

The obligations of the Company under this Section 8 and such separate agreements shall survive the termination of this Agreement or the earlier resignation or removal of the Custodian.

9. **RESPONSIBILITY OF CUSTODIAN**

9.1 General Duties. The Custodian shall have no duties, obligations or responsibilities under this Agreement or with respect to the Securities or Proceeds except for such duties as are expressly and specifically set forth in this Agreement, and the duties and obligations of the Custodian shall be determined solely by the express provisions of this Agreement. No implied duties, obligations or responsibilities shall be read into this Agreement against, or on the part of, the Custodian.

9.2 Instructions.

- (a) The Custodian shall be entitled to refrain from taking any action unless it has such instruction (in the form of Proper Instructions) from the Company as it reasonably deems necessary, and shall be entitled to require, upon notice to the Company, that Proper Instructions to it be in writing. The Custodian shall have no liability for any action (or forbearance from action) taken pursuant to the Proper Instruction of the Company.
- (b) Whenever the Custodian is entitled or required to receive or obtain any communications or information pursuant to or as contemplated by this Agreement, it shall be entitled to receive the same in writing, in form, content and medium reasonably acceptable to it and otherwise in accordance with any applicable terms of this Agreement; and whenever any report or other information is required to be produced or distributed by the Custodian it shall be in form, content and medium reasonably acceptable to it and the Company, and otherwise in accordance with any applicable terms of this Agreement.

9.3 General Standards of Care. Notwithstanding any terms herein contained to the contrary, the acceptance by the Custodian of its appointment hereunder is expressly subject to the following terms, which shall govern and apply to each of the terms and provisions of this Agreement (whether or not so stated therein):

- (a) The Custodian may rely on and shall be protected in acting or refraining from acting upon any written notice, instruction, statement, certificate, request, waiver, consent, opinion, report, receipt or other paper, electronic communication or document furnished to it (including any of the foregoing provided to it by facsimile or electronic means), not only as to its due execution and validity, but also as to the truth and accuracy of any information therein contained, which it in good faith believes to be genuine and signed (whether manual, facsimile, pdf or other electronic signature), sent or presented by the proper person (which in the case of any instruction from or on behalf of the Company shall be an Authorized Person); and the Custodian shall be entitled to presume the genuineness and due authority of any signature (whether manual, facsimile, pdf or other electronic signature) appearing thereon. The Custodian shall not be bound to make any independent investigation into the facts or matters stated in any such notice, instruction, statement, certificate, request, waiver, consent, opinion, report, receipt, electronic communication or other paper or document.
- (b) Neither the Custodian nor any of its directors, officers or employees shall be liable to anyone for any error of judgment, or for any act done or step taken or omitted to be taken by it (or any of its directors, officers or employees), or for any mistake of fact or law, or for anything which it may do or refrain from doing in connection herewith, unless such action or inaction constitutes gross negligence or willful misconduct on its part and in breach of the terms of this Agreement. The Custodian shall not be liable for any action taken by it in good faith and reasonably believed by it to be within powers conferred upon it, or taken by it pursuant to any direction or instruction by which it is governed hereunder, or omitted to be taken by it by reason of the lack of direction or instruction required hereby for such action. The Custodian shall not be under any obligation at any time to ascertain whether the Company is in compliance with the 1940 Act, the regulations thereunder, or the Company's investment objectives and policies then in effect.
- (c) In no event shall the Custodian be liable for any indirect, incidental, special, punitive or consequential damages (including lost profits or diminution of value), whether or not it has been advised of the likelihood of such damages.

- (d) The Custodian may consult with, and obtain advice from, legal counsel selected in good faith with respect to any question as to any of the provisions hereof or its duties hereunder, or any matter relating hereto, and the written opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Custodian in good faith in accordance with the opinion and directions of such counsel; the reasonable cost of such services shall be reimbursed pursuant to Section 8.2 above.
  - (e) The Custodian shall not be deemed to have notice of any fact, claim or demand with respect hereto unless actually known by a Responsible Officer or unless (and then only to the extent received) in writing by the Custodian at the applicable address(es) as set forth in Section 15 and specifically referencing this Agreement.
  - (f) No provision of this Agreement shall require the Custodian to expend or risk its own funds, or to take any action (or forbear from action) hereunder which might in its judgment involve any expense or any financial or other liability unless it shall be furnished with acceptable indemnification. Nothing herein shall obligate the Custodian to commence, prosecute or defend legal proceedings in any instance, whether on behalf of the Company or on its own behalf or otherwise, with respect to any matter arising hereunder, or relating to this Agreement or the services contemplated hereby.
  - (g) The permissive right of the Custodian to take any action hereunder shall not be construed as duty.
  - (h) The Custodian may act or exercise its duties or powers hereunder through agents, sub-custodians or attorneys, and the Custodian shall not be liable or responsible for the actions or omissions of any such agent, sub-custodian or attorney appointed with due care.
  - (i) All indemnifications contained in this Agreement in favor of the Custodian shall survive the termination of this Agreement or the earlier resignation or removal of the Custodian.
- 9.4 Indemnification: Custodian's Lien
- (a) The Company shall and does hereby indemnify and hold harmless each of the Custodian and each of its officers, directors, employees, attorneys, agents (including any Foreign Sub-custodians), advisors, successors and assigns (collectively, the "Indemnified Persons" and each an "Indemnified Person") for and from any and all costs and expenses (including fees and expenses of attorneys, agents and experts), and any and all losses, damages, claims (whether brought by or involving the Company or any third party) and liabilities, that may arise, be brought against or incurred by an Indemnified Person whether brought by or involving any third party or the Company and whether direct, indirect or consequential, as a result of or arising from or in any way relating to any claim, demand, suit, action or proceeding (including any inquiry or investigation) by any person, including without limitation the Company or any Subsidiary, by any advances or disbursements made by the Custodian (including in respect of any Account overdraft, returned deposit item, chargeback, provisional credit,

settlement or assumed settlement, reclaimed payment, claw-back or the like), as a result of, relating to, or arising out of this Agreement, or the administration or performance of the Custodian's duties hereunder, the enforcement of any provision of this Agreement or the relationship between the Company (including, for the avoidance of doubt, any Subsidiary) and the Custodian created hereby, other than such liabilities, losses, damages, claims, costs and expenses as are directly caused by the Custodian's own action or inaction constituting gross negligence or willful misconduct.

- (b) The Custodian shall have and is hereby granted a continuing lien upon and security interest in, and right of set-off against, the Account, and any funds (and investments in which such funds may be invested) held therein or credited thereto from time to time, whether now held or hereafter required, and all proceeds thereof, to secure the payment of any amounts that may be owing to the Custodian under or pursuant to the terms of this Agreement, whether now existing or hereafter arising.

9.5 Force Majeure. Without prejudice to the generality of the foregoing, the Custodian shall be without liability to the Company for any damage or loss resulting from or caused by events or circumstances beyond the Custodian's reasonable control including nationalization, expropriation, currency restrictions, the interruption, disruption or suspension of the normal procedures and practices of any securities market, power, mechanical, communications or other technological failures or interruptions, computer viruses or the like, fires, floods, earthquakes or other natural disasters, civil and military disturbance, acts of war or terrorism, riots, revolution, acts of God, work stoppages, strikes, national disasters of any kind, or other similar events or acts; errors by the Company (including any Authorized Person) in its instructions to the Custodian; or changes in applicable law, regulation or orders.

10. **SECURITY CODES**

If the Custodian issues to the Company, security codes, passwords or test keys in order that it may verify that certain transmissions of information, including Proper Instructions, have been originated by the Company, the Company shall take all commercially reasonable steps to safeguard any security codes, passwords, test keys or other security devices which the Custodian shall make available.

11. **TAX LAW**

11.1 Domestic Tax Law. The Custodian shall have no responsibility or liability for any obligations now or hereafter imposed on the Company or the Custodian as custodian of the Securities or the Proceeds, by the tax law of the United States or any state or political subdivision thereof. The Custodian shall be kept indemnified by and be without liability to the Company for such obligations including taxes, (but excluding any income taxes assessable in respect of compensation paid to the Custodian pursuant to this Agreement) withholding, certification and reporting requirements, claims for exemption or refund, additions for late payment interest, penalties and other expenses (including legal expenses) that may be assessed against the Company, or the Custodian as custodian of the Securities or Proceeds.

11.2 Foreign Tax Law. It shall be the responsibility of the Company to notify the Custodian of the obligations imposed on the Company, or the Custodian as custodian of any foreign securities or related Proceeds, by the tax law of foreign (e.g., non-U.S.) jurisdictions, including responsibility for withholding and other taxes, assessments or other government charges, certifications and government reporting. The sole responsibility of the Custodian with regard to such tax law shall be to use reasonable efforts to cooperate with the Company with respect to any claims for exemption or refund under the tax law of the jurisdictions for which the Company has provided such information.

12. **EFFECTIVE PERIOD AND TERMINATION**

12.1 Effective Date. This Agreement shall become effective as of its due execution (whether manual, facsimile, pdf or other electronic signature) and delivery by each of the parties. This Agreement shall continue in full force and effect until terminated as hereinafter provided. This Agreement may only be amended by mutual written agreement of the parties hereto. This Agreement may be terminated by the Custodian or the Company pursuant to Section 12.2.

12.2 Termination. This Agreement shall terminate upon the earliest of (a) occurrence of the effective date of termination specified in any written notice of termination given by either party to the other not less than sixty (60) days prior to the effective date of termination specified therein, (b) such other date of termination as may be mutually agreed upon by the parties in writing.

12.3 Resignation. The Custodian may at any time resign under this Agreement by giving not less than sixty (60) days advance written notice thereof to the Company.

12.4 Successor. Prior to the effective date of termination of this Agreement, or the effective date of the resignation or removal of the Custodian, as the case may be, the Company shall give Proper Instruction to the Custodian designating a successor Custodian, if applicable. The Custodian shall, upon receipt of Proper Instruction from the Company (i) deliver directly to the successor Custodian all Securities (other than Securities held in a Book-Entry System or Securities Depository) and cash then owned by the Company and held by the Custodian as custodian, and (ii) transfer any Securities held in a Book-Entry System or Securities Depository to an account of or for the benefit of the Company at the successor Custodian, provided that the Company shall have paid to the Custodian all fees, expenses and other amounts to the payment or reimbursement of which it shall then be entitled. In addition, the Custodian shall, at the expense of the Company, transfer to such successor all relevant books, records, correspondence, and other data established or maintained by the Custodian under this Agreement (if such form differs from the form in which the Custodian has maintained the same, the Company shall pay any expenses associated with transferring the data to such form), and will cooperate in the transfer of such duties and responsibilities. Upon such delivery and transfer, the Custodian shall be relieved of all obligations under this Agreement.



12.5 Payment of Fees, etc. Upon termination of this Agreement or resignation of the Custodian, the Company shall pay to the Custodian such compensation, and shall likewise reimburse the Custodian for its costs, expenses and disbursements, as may be due as of the date of such termination or resignation (or removal, as the case may be). All indemnifications in favor of the Custodian under this Agreement shall survive the termination of this Agreement, or any resignation or removal of the Custodian.

13. **REPRESENTATIONS AND WARRANTIES**

13.1 Representations of the Company. The Company represents and warrants to the Custodian that:

- (a) it has the power and authority to enter into and perform its obligations under this Agreement, and it has duly authorized, executed and delivered this Agreement so as to constitute its valid and binding obligation;
- (b) in giving any instructions which purport to be "Proper Instructions" under this Agreement, the Company will act in accordance with the provisions of its memorandum and articles of association, applicable operational documents and any applicable laws and regulations; and
- (c) it shall not, without the prior written consent of the Custodian, permit the assets of the Account to be deemed assets of an employee benefit plan which is subject to the Employment Retirement Income Security Act of 1974, as amended ("ERISA"). The Company acknowledges and agrees that the Custodian shall not grant its consent in the foregoing circumstance unless and until the Company has entered into such amendments to this Agreement and has provided such assurances and indemnities to the Custodian, as the Custodian reasonably may require to be assured that it will not be subject to ERISA liability. If for any reason the Company breaches or otherwise fails to comply with the provisions of this Section, this Agreement may be terminated immediately by the Custodian.

13.2 Representations of the Custodian. The Custodian hereby represents and warrants to the Company that:

- (a) it is qualified to act as custodian pursuant to Section 17(f) of the 1940 Act;
- (b) it has the power and authority to enter into and perform its obligations under this Agreement; and
- (c) it has duly authorized, executed and delivered this Agreement so as to constitute its valid and binding obligations.

14. **PARTIES IN INTEREST; NO THIRD PARTY BENEFIT**

This Agreement is not intended for, and shall not be construed to be intended for, the benefit of any third parties and may not be relied upon or enforced by any third parties (other than successors and permitted assigns pursuant to Section 19).

15. **NOTICES**

Any Proper Instructions shall be given to the following address (or such other address as either party may designate by written notice to the other party), and otherwise any notices, approvals and other communications hereunder shall be sufficient if made in writing and given to the parties at the following address (or such other address as either of them may subsequently designate by notice to the other), given by (i) certified or registered mail, postage prepaid, (ii) recognized courier or delivery service, (iii) electronic mail or (iv) confirmed facsimile, with a duplicate sent on the same day by first class mail, postage prepaid:

(a) if to the Company or any Subsidiary, to

Portman Ridge Finance Corporation  
c/o BC Partners Advisors L.P.  
650 Madison Avenue, 23rd Floor  
New York, NY 10022  
Attention: Joseph Barillaro  
Email: joseph.barillaro@bcpartners.com  
Telephone: (212) 796-1806  
Facsimile: (212) 486-6722

(b) if to the Custodian, to

U.S. Bank National Association  
Global Corporate Trust  
One Federal Street, 3<sup>rd</sup> Floor  
Boston, Massachusetts 02110  
Attention: Jim Byrnes  
Reference: Portman Ridge Finance Corporation  
Email: james.byrnes@usbank.com  
Telephone: (617) 603-6408

16. **CHOICE OF LAW AND JURISDICTION**

This Agreement shall be construed, and the provisions thereof interpreted under and in accordance with and governed by the laws of the State of New York for all purposes (without regard to its choice of law provisions); except to the extent such laws are inconsistent with federal securities laws, including the 1940 Act, in which case such federal securities laws shall govern. All actions and proceedings relating to or arising from, directly or indirectly, this Agreement may be brought in New York State or U.S. federal courts located within the City of New York, State of New York and the Company and the Custodian hereby submit to personal jurisdiction of such courts for such actions or proceedings. The Company and the Custodian each

hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury and any objection to laying of venue in such courts on grounds of forum nonconveniens in respect of any claim based upon, arising out of or in connection with this Agreement. No actions or proceedings relating to or arising from, directly or indirectly, this Agreement shall be brought in a forum outside of the United States of America.

17. **ENTIRE AGREEMENT; COUNTERPARTS**

17.1 **Complete Agreement**. This Agreement constitutes the complete and exclusive agreement of the parties with regard to the matters addressed herein and supersedes and terminates as of the date hereof, all prior agreements, acknowledgements or understandings, oral or written between the parties to this Agreement relating to such matters.

17.2 **Counterparts**. This Agreement may be executed (whether manual, facsimile, pdf or other electronic signature) in any number of counterparts and all counterparts taken together shall constitute one and the same instrument.

17.3 **Facsimile and Electronic Signatures**. The exchange of copies of this Agreement and of signature pages by facsimile, pdf or other electronic transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile or pdf shall be deemed to be their original signatures for all purposes. By executing this Agreement, the Company hereby acknowledges and agrees, and directs the Custodian to acknowledge and agree and the Custodian does hereby acknowledge and agree, that execution of this Agreement, any Proper Instructions and any other notice, form or other document executed by the Company or the Custodian in connection with this Agreement, by electronic signature (including, without limitation, any .pdf file, .jpeg file or any other electronic or image file, or any other "electronic signature" as defined under E-SIGN or ESRA, including Orbit, Adobe Sign, DocuSign, or any other similar platform identified by the Company and reasonably available at no undue burden or expense to the Custodian) shall be permitted hereunder notwithstanding anything to the contrary herein and such electronic signatures shall be legally binding as if such electronic signatures were handwritten signatures. Any electronically signed document delivered via email from a person purporting to be an Authorized Person shall be considered signed or executed by such Authorized Person on behalf of the Company. The Company also hereby acknowledges that the Custodian shall have no duty to inquire into or investigate the authenticity or authorization of any such electronic signature and shall be entitled to conclusively rely on any such electronic signature without any liability with respect thereto.

18. **AMENDMENT; WAIVER**

18.1 **Amendment**. This Agreement may not be amended except by an express written instrument duly executed by each of the Company and the Custodian.

18.2 Waiver. In no instance shall any delay or failure to act be deemed to be or effective as a waiver of any right, power or term hereunder, unless and except to the extent such waiver is set forth in an express written instrument signed by the party against whom it is to be charged.

19. **SUCCESSOR AND ASSIGNS**

19.1 Successors Bound. The covenants and agreements set forth herein shall be binding upon and inure to the benefit of each of the parties and their respective successors and permitted assigns. Neither party shall be permitted to assign their rights under this Agreement without the written consent of the other party; provided, however, that the foregoing shall not limit the ability of the Custodian to delegate certain duties or services to or perform them through agents or attorneys appointed with due care as expressly provided in this Agreement.

19.2 Merger and Consolidation. Any corporation or association into which the Custodian may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Custodian shall be a party, or any corporation or association to which the Custodian transfers all or substantially all of its corporate trust business, shall be the successor of the Custodian hereunder, and shall succeed to all of the rights, powers and duties of the Custodian hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

20. **SEVERABILITY**

The terms of this Agreement are hereby declared to be severable, such that if any term hereof is determined to be invalid or unenforceable, such determination shall not affect the remaining terms.

21. **REQUEST FOR INSTRUCTIONS**

If, in performing its duties under this Agreement, the Custodian is required to decide between alternative courses of action, the Custodian may (but shall not be obliged to) request written instructions from the Company as to the course of action desired by it. If the Custodian does not receive such instructions within two (2) Business Days after it has requested them, the Custodian may, but shall be under no duty to, take or refrain from taking any such courses of action. The Custodian shall act in accordance with instructions received from the Company in response to such request after such two (2) Business Day period except to the extent it has already taken, or committed itself to take, action inconsistent with such instructions.

22. **OTHER BUSINESS**

Nothing herein shall prevent the Custodian or any of its affiliates from engaging in other business, or from entering into any other transaction or financial or other relationship with, or receiving fees from or from rendering services of any kind to the Company or any other Person. Nothing contained in this Agreement shall constitute the Company and/or the Custodian (and/or any other Person) as members of any partnership, joint venture, association, syndicate, unincorporated business or similar assignment as a result of or by virtue of the engagement or relationship established by this Agreement.

23. **REPRODUCTION OF DOCUMENTS**

This Agreement and all schedules, exhibits, attachments and amendments hereto may be reproduced by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process. The parties hereto each agree that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding, whether or not the original is in existence and whether or not such reproduction was made by a party in the regular course of business, and that any enlargement, facsimile or further production shall likewise be admissible in evidence.

24. **MISCELLANEOUS**

The Company acknowledges receipt of the following notice:

**“ IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT.**

**To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity the Custodian will ask for documentation to verify its formation and existence as a legal entity. The Custodian may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.”**

*[PAGE INTENTIONALLY ENDS HERE. SIGNATURES APPEAR ON NEXT PAGE.]*

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered by a duly authorized officer, intending the same to take effect as of the date first written above.

**PORTMAN RIDGE FINANCE CORPORATION**

By: /s/ Edward Gilpin  
Name: Edward Gilpin  
Title: CFO

**U.S. BANK NATIONAL ASSOCIATION, as Custodian**

By: /s/ Ralph J. Creasia, Jr.  
Name: Ralph J. Creasia, Jr.  
Title: Senior Vice President

Signature Page to A&R Custody Agreement

**SCHEDULE A**

**Schedule of Custodial Fees**

(See Attached.)

November 25, 2024

Portman Ridge Finance Corporation  
650 Madison Avenue, 3<sup>rd</sup> Floor  
New York, New York 10022

Re: Registration Statement on Form N-2

Ladies and Gentlemen:

We have acted as counsel to Portman Ridge Finance Corporation, a Delaware corporation (the "Company"), in connection with the preparation and filing by the Company with the Securities and Exchange Commission (the "Commission") of a registration statement on Form N-2 (as amended from time to time, the "Registration Statement"), filed with the Commission on the date hereof under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the Company's offer, issuance and sale, from time to time, pursuant to Rule 415 under the Securities Act, of up to \$500,000,000 in aggregate offering amount of the following:

- (1) shares of the Company's common stock, par value \$0.01 per share (the "Common Stock"), including Common Stock to be issuable upon exercise of the Rights and/or the Warrants (as such terms are defined below);
- (2) shares of the Company's preferred stock, par value \$0.01 per share (the "Preferred Stock"), including Preferred Stock to be issuable upon exercise of the Warrants;
- (3) subscription rights to purchase Common Stock ("Rights");
- (4) debt securities of the Company, including debt securities to be issuable upon exercise of the Warrants ("Debt Securities"); and
- (5) warrants representing rights to purchase Common Stock, Preferred Stock or Debt Securities ("Warrants").

The Common Stock, Preferred Stock, Rights, Debt Securities, and Warrants are collectively referred to herein as the "Securities."

The Registration Statement provides that the Securities may be offered separately or together, in amounts, at prices and on terms to be set forth in one or more supplements (each, a "Prospectus Supplement") to the base prospectus included in the Registration Statement at the time it becomes effective (the "Prospectus"). This opinion letter is being furnished to the Company in accordance with the requirements of Item 25 of Form N-2, and we express no opinion herein as to any matter other than as to the legality of the Securities.

The Debt Securities are to be issued under a base indenture (the "Base Indenture"), dated October 10, 2012, entered into by and between the Company and U.S. Bank National Association (the "Trustee"). The Warrants will be issued under warrant agreements (each a "Warrant Agreement") to be entered into by and between the Company and the purchasers thereof, or a warrant agent to be identified in the applicable Warrant Agreement. The Rights are to be issued under rights agreements (each a "Rights Agreement") to be entered into by and between the Company and the purchasers thereof, or a rights agent to be identified in the applicable Rights Agreement.



As counsel to the Company, we have participated in the preparation of the Registration Statement and have examined the originals or copies of the following:

1. the Certificate of Incorporation, as amended, of the Company (the "Charter");
2. the Third Amended and Restated Bylaws of the Company (the "Bylaws");
3. a Certificate of Good Standing with respect to the Company issued by the Secretary of State of the State of Delaware (the "Secretary of State") as of a recent date (the "Certificate of Good Standing");
4. the Base Indenture; and
5. the resolutions of the board of directors (the "Board") of the Company relating to, among other things, the authorization and approval of the preparation and filing of the Registration Statement.

With respect to such examination and our opinions expressed herein, we have assumed, without any independent investigation or verification, (i) the genuineness of all signatures on all documents submitted to us for examination, (ii) the legal capacity of all natural persons, (iii) the legal power and authority of all persons signing on behalf of the parties to all documents, (iv) the authenticity of all documents submitted to us as originals, (v) the conformity to original documents of all documents submitted to us as conformed or reproduced copies and the authenticity of the originals of such copied documents, (vi) that all certificates issued by public officials have been properly issued, (vii) that each Warrant Agreement and Rights Agreement will be governed by the laws of the State of New York and (viii) that the Base Indenture, the Warrant Agreements, and the Rights Agreements will be valid and legally binding obligations of the parties thereto (other than the Company).

As to certain matters of fact relevant to the opinions in this opinion letter, we have relied upon certificates of public officials (which we have assumed remain accurate as of the date of this opinion) and upon certificates of officers of the Company. We have not independently established the facts, or in the case of certificates of public officials, the other statements, so relied upon.

The opinions set forth below are limited to the effect of the Delaware General Corporation Law (the "DGCL"), and, as to the Debt Securities, Warrants and Rights constituting valid and legally binding obligations of the Company, the laws of the State of New York, in each case, as in effect on the date hereof, and we express no opinion as to the applicability or effect of any other laws of such jurisdiction or the laws of any other jurisdictions. Without limiting the preceding sentence, we express no opinion as to any federal or state securities or broker-dealer laws or regulations thereunder relating to the offer, issuance and sale of the Securities pursuant to the Registration Statement. We also express no opinion as to the validity, legally binding effect or enforceability of any provision in any agreement or instrument that (i) requires or relates to payment of any interest at a rate or in an amount which a court may determine in the circumstances under applicable law to be commercially unreasonable or a penalty or forfeiture or (ii) relates to governing law and submission by the parties to the jurisdiction of one or more particular courts.

This opinion letter has been prepared, and should be interpreted, in accordance with customary practice followed in the preparation of opinion letters by lawyers who regularly give, and such customary practice followed by lawyers who on behalf of their clients regularly advise opinion recipients regarding, opinion letters of this kind.

The opinions set forth herein as to enforceability of obligations of the Company are subject to: (i) bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar laws now or hereinafter in effect affecting the enforcement of creditors' rights generally, and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and the discretion of the court or other body before which any proceeding may be brought; (ii) the unenforceability under certain circumstances under law or court decisions of

provisions providing for the indemnification of, or contribution to, a party with respect to a liability where such indemnification or contribution is contrary to public policy, (iii) provisions of law which may require that a judgment for money damages rendered by a court in the United States be expressed only in U.S. dollars; (iv) requirements that a claim with respect to any Debt Securities denominated other than in U.S. dollars (or a judgment denominated other than in U.S. dollars in respect of such claim) be converted into U.S. dollars at a rate of exchange prevailing on a date determined pursuant to applicable law; and (v) governmental authority to limit, delay or prohibit the making of payments outside the United States or in foreign currency or composite currency.

On the basis of and subject to the foregoing, and in reliance thereon, and subject to the limitations and qualifications set forth in this opinion letter, and assuming that (i) Certificate of Designation classifying and designating the number of shares and the terms of any class or series of the Preferred Stock to be issued by the Company (the "Certificate of Designation") will have been duly authorized and determined or otherwise established by proper action of the Board or a duly authorized committee thereof in accordance with the Charter and Bylaws and will have been filed with and accepted for record by the Secretary of State prior to the issuance of any such Preferred Stock, and such Certificate of Designation will comply with the applicable requirements with respect thereto under the DGCL and the Company's Charter and Bylaws, (ii) the Base Indenture and each supplemental indenture containing the specific terms and conditions for each issuance of the Debt Securities (each a "Supplemental Indenture") will have been duly authorized, executed and delivered by each of the Company and the Trustee in accordance with the terms of the Base Indenture, (iii) each Supplemental Indenture will constitute a valid and legally binding obligation of each of the Company and the Trustee, (iv) the Debt Securities will not include any provision that is unenforceable against the Company, (v) the Warrant Agreement and the Warrants, including any amendments or supplements thereto, will have been duly authorized, executed and delivered by each of the parties thereto in accordance with the terms of the Warrant Agreement, (vi) the Rights Agreement and the Rights, including any amendments, or supplements thereto, will have been duly authorized, executed and delivered by each of the parties thereto, (vii) the issuance, offer and sale of the Securities from time to time and the final terms of such issuance, offer and sale, including those relating to price and amount of the Securities to be issued, offered and sold, and certain terms thereof, will have been duly authorized and determined or otherwise established by proper action of the Board or a duly authorized committee thereof in accordance with the Charter, if applicable, the Certificate of Designation, if applicable, the Base Indenture, if applicable, the Warrant Agreement, if applicable, the Rights Agreement, if applicable, and the Company's Bylaws, if applicable, and any other relevant agreement relating to the terms and the offer and sale of the Securities and are consistent with the terms and conditions for such issuance, offer and sale set forth in the Resolutions and the descriptions thereof in the Registration Statement, the Prospectus and the applicable Prospectus Supplement (such authorization or action being hereinafter referred to as the "Corporate Proceedings"), (viii) the terms of the Preferred Stock, the Debt Securities, the Warrants and the Rights as established and the issuance of the Securities (a) will not violate any applicable law, (b) will not violate or result in a default under or breach of (nor constitute any event which with notice, lapse of time or both would constitute a default under or result in any breach of) any agreement, instrument or other document binding upon the Company, and (c) will comply with all requirements or restrictions imposed by any court or governmental body having jurisdiction over the Company, (ix) each issuance of the Debt Securities will have been duly executed by the Company and duly authenticated by the Trustee in accordance with the Base Indenture, as supplemented by the applicable Supplemental Indenture, and delivered to, and the agreed consideration will have been fully paid at the time of such delivery by, the purchasers thereof, (x) at the time of issuance of the Debt Securities or the Preferred Stock, after giving effect to such issuance thereof, the Company will be in compliance with Section 18(a)(1) (A) of the Investment Company Act of 1940, as amended, giving effect to Section 61(a) thereof, (xi) any Common Stock, Preferred Stock or Warrants issued and sold pursuant to the Registration Statement, including upon the exercise of any Securities convertible into or exercisable for Common Stock or Preferred Stock, will have been delivered to, and the agreed consideration will have been fully paid at the time of such delivery by, the purchasers thereof, (xii) upon the issuance of any Common Stock or Preferred Stock by the Company pursuant to the Registration Statement, including upon the exercise of any Securities convertible into or exercisable for Common Stock or Preferred Stock, the total number of shares of Common Stock or Preferred Stock, as applicable, issued and outstanding will not exceed the total number of shares of Common Stock or Preferred Stock, as applicable, that the Company is then

authorized to issue under the Charter, (xiii) the Certificate of Good Standing remains accurate, the Resolutions and the applicable Corporate Proceedings remain in effect, without amendment, and the Registration Statement (including all necessary post-effective amendments), and any additional registration statement filed under Rule 462 under the Securities Act, has become effective under the Securities Act and remains effective at the time of the issuance, offer and/or sale of the Securities, (xiv) resolutions establishing the definitive terms of and authorizing the Company to register, offer, sell and issue the Securities shall remain in effect and unchanged at all times during which the Securities are offered, sold or issued by the Company, (xv) the interest rate on the Debt Securities shall not be higher than the maximum lawful rate permitted from time to time under applicable law, (xvi) an appropriate Prospectus Supplement shall have been prepared, delivered and filed in compliance with the Securities Act and the applicable rules and regulations thereunder describing the Securities offered thereby, (xvii) if the Securities will be sold pursuant to a firm commitment underwritten offering, the underwriting agreement with respect to the Securities in the form filed as an exhibit to the Registration Statement or any post-effective amendment thereto, or incorporated by reference therein, shall have been duly authorized, executed and delivered by the Company and the other parties thereto, (xviii) the Base Indenture has been, and shall continue to be, duly qualified under the Trust Indenture Act of 1939, as amended, and (xix) in the case of an agreement or instrument pursuant to which any Securities are to be issued, there shall be no terms or provisions contained therein which would affect the validity of any of the opinions rendered herein, we are of the opinion that:

1. Upon completion of all Corporate Proceedings with respect thereto, the issuance of the Common Stock by the Company will be duly authorized and, when issued and paid for in accordance with the Registration Statement, the Prospectus, the applicable Prospectus Supplement, the Resolutions and all Corporate Proceedings relating thereto, the Common Stock will be validly issued, fully paid and non-assessable.
2. Upon completion of all Corporate Proceedings with respect thereto, the issuance of the Preferred Stock will be duly authorized and, when issued and paid for in accordance with the Registration Statement, the Prospectus, the applicable Prospectus Supplement, the Resolutions and all Corporate Proceedings relating thereto, the Preferred Stock will be validly issued, fully paid and non-assessable.
3. Upon completion of all Corporate Proceedings with respect thereto, the issuance of the Rights will be duly authorized and, when issued in accordance with the Rights Agreement, the Registration Statement, the Prospectus, the applicable Prospectus Supplement, the Resolutions, and all Corporate Proceedings relating thereto, the Rights will constitute valid and legally binding obligations of the Company.
4. Upon completion of all Corporate Proceedings with respect thereto, the issuance of the Debt Securities will be duly authorized and, when issued and paid for in accordance with the Base Indenture, the applicable Supplemental Indenture, the Registration Statement, the Prospectus, the applicable Prospectus Supplement, the Resolutions and all Corporate Proceedings relating thereto, each issuance of the Debt Securities will constitute valid and legally binding obligations of the Company.
5. Upon completion of all Corporate Proceedings with respect thereto, the issuance of the Warrants will be duly authorized and, when issued and paid for in accordance with the Warrant Agreement, the Registration Statement, the Prospectus, the applicable Prospectus Supplement, the Resolutions and all Corporate Proceedings relating thereto, the Warrants will constitute valid and legally binding obligations of the Company.

This opinion letter has been prepared for the Company's use solely in connection with the Registration Statement. The opinions expressed in this opinion letter (i) are strictly limited to the matters stated in this opinion letter, and without limiting the foregoing, no other opinions are to be implied and (ii) are only as of the date of this opinion letter, and we are under no obligation, and do not undertake, to advise the addressee of this opinion letter or any other person or entity either of any change of law or fact that occurs, or of any fact that comes to our attention, after the date of this opinion letter, even though such change or such fact may affect the legal analysis or a legal conclusion in this opinion letter.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the reference to this firm under the caption "Legal Matters" in the prospectus which forms a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ DECHERT LLP

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in this Registration Statement on Form N-2 of our report dated March 13, 2024 relating to the consolidated financial statements, consolidated financial highlights and related notes of Portman Ridge Finance Corporation appearing in the Annual Report on Form 10-K of Portman Ridge Finance Corporation for the year ended December 31, 2023. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ Deloitte & Touche LLP  
New York, New York  
November 25, 2024

- Code of Ethics and Securities Trading Policy

The Adviser has adopted the following Code of Ethics and Securities Trading Policy (the “**Code of Ethics**”) governing the conduct of personal securities trading by its personnel.

The purpose of this Code of Ethics is to foster compliance with applicable federal statutes and regulatory requirements and to eliminate transactions suspected of being in conflict with the best interests of the Clients. Supplemental information to this Code of Ethics is attached as Exhibit A and incorporated herein by reference.

The Adviser uses an electronic personal account trading repository called Compliance Alpha, which all Supervised Persons should use to pre-clear and record trades.

[https://www.compliancealpha.com/auth/login?redirect\\_uri=https:%2F%2Fec.compliancealpha.com%2Fta-sk%2Fmy%2Flist](https://www.compliancealpha.com/auth/login?redirect_uri=https:%2F%2Fec.compliancealpha.com%2Fta-sk%2Fmy%2Flist)

#### ARTICLE I. DEFINITIONS

In addition to the terms defined in the foregoing paragraph, the following terms will have the following meanings for purposes of this Code of Ethics:

- A. “**Adviser**” means Mount Logan Management LLC.
- B. “**Advisers Act**” means the Investment Advisers Act of 1940, as amended and the rules promulgated thereunder.
- C. “**Automatic Investment Plan**” means a program in which regular periodic purchases (or withdrawals) are made automatically in (or from) investment accounts in accordance with a predetermined schedule and allocation. An automatic investment plan includes a dividend reinvestment plan.
- D. “**Beneficial Ownership**” is interpreted in the same manner as it would be under Rule 16a-1(a)(2) under the Exchange Act. Under Rule 16a-1(a)(2), “**Beneficial Owner**” means any person who, directly or indirectly through any contract, arrangement, understanding, relationship or otherwise, has or shares a direct or indirect Pecuniary Interest in any Securities. Although this list is not exhaustive, you generally would be the Beneficial Owner of the following:
  - (i) Securities held in your own name;
  - (ii) Securities held with another in joint tenancy, as tenants in common, as tenants by the entirety or in other joint ownership arrangements;
  - (iii) Securities held by a bank or broker as a nominee or custodian on your behalf or pledged as collateral for a loan; and
  - (iv) Securities owned by a corporation, trust, partnership or other entity that is directly or indirectly controlled by, or under common control with, you.
- E. “**Code of Ethics**” means this Code of Ethics and Securities Trading Policy.

- F. "**Compliance Alpha**" means the electronic personal account trading system to be used by Supervised Persons.
- G. "**Covered Accounts**" means all accounts that contain, or may contain, Reportable Securities that are not Discretionary Accounts or Blind Pool Accounts, for a Supervised Person or their Immediate Family.
- H. "**Discretionary Account**" means a Supervised Person's account that contains, or may contain, Reportable Securities and is managed by a third party without specific direction by the Supervised Person. The CCO has authority under this Code of Ethics to determine at any time whether a particular account qualifies or continues to qualify as a Discretionary Account, whether additional information should be provided by the relevant Supervised Person or whether additional steps must be taken by the relevant Supervised Person in order to maintain Discretionary Account status for the relevant account.
- I. "**Exchange Act**" means the Securities Exchange Act of 1934, as amended and the rules promulgated thereunder.
- J. "**Expert**" means an industry expert used for transaction diligence.
- K. "**Expert Network**" means a service provider that places Supervised Persons in contact with Experts.
- L. "**Federal Securities Laws**" means the Securities Act, the Exchange Act, the Investment Company Act, the Advisers Act, Title V of the GLBA, the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, any rules adopted by the SEC under any of these statutes, the Bank Secrecy Act of 1970, as amended, as it applies to private Clients and registered investment advisers, and any rules adopted thereunder by the SEC or the U.S. Department of the Treasury.
- M. "**Client**" generally refers to private Clients advised by an Adviser operated in accordance with exemptions from registration under the Investment Company Act (*e.g.*, Section 3(c)(1) or Section 3(c)(7)).
- N. "**GLBA**" means the Gramm-Leach-Bliley Act.
- O. "**Immediate Family**" means any of the following relationships *sharing the same household*: child, stepchild, grandchild, parent, stepparent, grandparent, spouse, life-partner (or similar), sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, including adoptive relationships.
- P. "**Initial Public Offering**" means an offering of securities registered under the Securities Act, the issuer of which, immediately before the registration, was not subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act.
- Q. "**Investment Company Act**" means the Investment Company Act of 1940, as amended.
- R. "**Limited Offering**" means an offering that is exempt from registration under the Securities Act pursuant to Section 4(a)(2) or Section 4(6) thereof, or pursuant to Regulation D (Rules 504, 505 or 506) thereof.

- S. **"Pecuniary Interest"** means the opportunity, directly or indirectly, to profit or share in any profit derived from a transaction in the subject Securities. An indirect Pecuniary Interest includes:
- (i) Securities held by members of a Supervised Person's Immediate Family. You may request that a member of your Immediate Family be excluded from the reach of the Code of Ethics by contacting the CCO and demonstrating why it would be appropriate.
  - (ii) A general partner's proportionate interest in the portfolio Securities held by a general or limited partnership.
  - (iii) A person's right to dividends that is separated or separable from the Securities.
  - (iv) A trustee's pecuniary interest in Securities holdings of a trust and any pecuniary interest of any Immediate Family member of such trustee (such Pecuniary Interest being to the extent of the beneficiary's *pro rata* interest in the trust), *whether or not such Immediate Family member shares the same household as such trustee*.
  - (v) A beneficiary of a trust if:
    - the beneficiary shares investment control with the trustee (such Pecuniary Interest being to the extent of the beneficiary's *pro rata* interest in the trust); or
    - the beneficiary has investment control with respect to a trust transaction without consultation with the trustee.
  - (vi) Remainder interests do not create a Pecuniary Interest unless the person with such interest has the power, directly or indirectly, to exercise or share investment control over the trust.
  - (vii) A settlor or grantor of a trust if such person reserves the right to revoke the trust without the consent of another person, unless the settlor or grantor does not exercise or share investment control over the Securities.

A shareholder will not be deemed to have a Pecuniary Interest in the portfolio Securities held by a corporation or similar entity in which the person owns Securities if the shareholder is not a controlling shareholder of the entity and does not have or share investment control over the entity's portfolio.

T. **"Purchase or sale of a security"** includes, among other things, the writing of an option to purchase or sell a security.

U. **"Reportable Security"** refers to securities reportable under this Code of Ethics, and generally will include all Securities but for this purpose will not include:

- direct obligations of the U.S. Government (*e.g.*, Treasuries, GNMA's);
- bankers' acceptances, bank certificates of deposit, commercial paper and high-quality short-term debt instruments, including repurchase agreements;
- shares issued by money market mutual funds;
- securities in Exchange Traded Funds (ETFs), so long as they are well diversified and are not being used to circumvent this Code of Ethics;
- securities held through a qualified tuition program established pursuant to Section 529 of the Internal Revenue Code of 1986, as amended (529 Plans);



- shares issued by open-end mutual funds, unless Adviser acts as the investment adviser or sub-adviser for the mutual fund, so long as they are well diversified and are not being used to circumvent this Code of Ethics;
  - derivative contracts where the underlying investment is unrelated to a company (e.g. commodity derivatives);
  - shares acquired as part of a regular savings plan operated by the scheme manager or his agent, where no discretion is exercised by the employee;
  - investments bought or sold pursuant to an automatic investment plan (such as a dividend re-investment plan (DRIP)), where pre-approval has been sought at the time the plan is entered into; or
  - shares issued by unit investment trusts that are invested exclusively in one or more open-end mutual funds, unless Adviser acts as the investment adviser or sub-adviser for the mutual Client.
- V. “**Supervised Person**” means any partner, officer, director, manager (or other person occupying a similar status or performing similar functions) or employee (other than employees with a purely clerical, administrative or support function, as designated by the CCO) of an Adviser, or any other person who provides investment advice on behalf of an Adviser and is subject to the supervision and control of such Adviser.
- W. “**SEC**” means the U.S. Securities and Exchange Commission.
- X. “**Securities Act**” means the Securities Act of 1933, as amended and the rules promulgated thereunder.
- Y. “**Security**” generally will have the meaning set forth in Section 202(a)(18) of the Advisers Act, such that it includes:
- private fund (e.g., hedge fund or private equity fund) interests, including limited partnership or limited liability company interests;
  - any note, stock, treasury stock, security future, bond, debenture or evidence of indebtedness;
  - any certificate of interest or participation in any profit-sharing agreement;
  - any collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate or certificate of deposit for a security;
  - any fractional undivided interest in oil, gas or other mineral rights;
  - any put, call, straddle, option or privilege on any security (including a certificate of deposit) or on any group or index of securities (including any interest therein or based on the value thereof);
  - any put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency; or

- in general, any interest or instrument commonly known as a “security,” or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase any of the foregoing.

Z. “CCO” means the relevant Chief Compliance Officer of the Adviser.

## ARTICLE II. STANDARDS OF BUSINESS CONDUCT

The following standards of business conduct will govern personal investment activities and the interpretation and administration of this Code of Ethics:

- The interests of the Adviser’s clients (*i.e.*, the Clients) must be placed first at all times;
- There is a minimum holding period of three (3) months for all Reportable Securities.
- All short sales are prohibited (including covered).
- All personal securities transactions must be conducted consistent with this Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual’s position of trust and responsibility;
- Supervised Persons should not take inappropriate advantage of their positions; and
- Supervised Persons must comply with applicable Federal Securities Laws.

This Code of Ethics does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield Supervised Persons from responsibility for personal trading or other conduct that violates a fiduciary duty to the Adviser’s clients (*i.e.*, the Clients).

## ARTICLE III. TRADING RULES FOR PERSONAL/RELATED ACCOUNTS

The following rules govern Securities trading by all Supervised Persons and their Immediate Families. In the event there is any uncertainty of the propriety of any trade being contemplated, consult with the Compliance Department:

- A. *Insider Trading Strictly Prohibited.* No Supervised Person may engage in any trade or order activity or investment if such activity is the result of exposure to material non-public information, *i.e.*, inside information (see Article V).
- B. *Preclearance.* Supervised Persons must obtain prior approval of the Compliance Department by submitting a clearance request for all transactions involving a Reportable Security in the electronic system (Compliance Alpha), including purchases and sales, in which they and their Immediate Families have a Beneficial Ownership interest, except:
- Purchases or sales effected in any Discretionary Account;
  - Purchases that are part of an existing Automatic Investment Plan;
  - Purchases effected upon the exercise of rights issued by an issuer *pro rata* to all holders of a class of its Securities, to the extent these rights were acquired from that issuer, and sales of the rights that were acquired; and

Approvals of Securities transactions granted by the Compliance Department will be effective for 48 working hours, unless the Compliance Department specifies otherwise in writing. Supervised Persons who receive approval with respect to a Securities transaction but do not place a trade within such period must submit a new preclearance request to the Compliance Department.

The Compliance Department will not grant prior approval to an order or investment that anticipates (*i.e.*, front runs) or competes with a customer/Client order. Supervised Persons should not communicate any denial by the Compliance Department of any trade to any person and to do so may be a criminal offence in certain jurisdictions.

Prior to the CCO trading in Securities, the CCO will obtain prior approval of a member of the Management Committee. Securities reports for the CCO will be reviewed by or under the direction of the Management Committee.

#### ARTICLE IV. REPORTING OF SECURITIES HOLDINGS AND TRANSACTIONS

##### A. Initial and Annual Holdings Reports.

- (i) Except as otherwise provided below, every Supervised Person will report to the Compliance Department no later than ten (10) calendar days after the person becomes a Supervised Person, the following information (which information must be current as of a date no more than 45 calendar days prior to the date the person becomes a Supervised Person):
- With respect to each Reportable Security in which the Supervised Person or their Immediate Family has any direct or indirect Beneficial Ownership, the title and type of such Reportable Security and (as applicable) the exchange ticker symbol or CUSIP number, number of shares and principal amount;
  - The name of any broker, dealer or bank with which the Supervised Person or their Immediate Family maintains a Covered account in which any Reportable Securities are held for the Supervised Person's or their Immediate Family's direct or indirect benefit; and
  - The date the Supervised Person submits the report.
- (ii) Except as otherwise provided below, every Supervised Person must report to the Compliance Department at least once annually the information described above (which information must be current as of a date no more than 45 days before the date on which the report is submitted).

##### B. Quarterly Transaction Reports.

- (i) Except as otherwise provided below, every Supervised Person will report to the Compliance Department no later than thirty (30) calendar days after the end of each calendar quarter, the following information with respect to all transactions during the quarter in any Reportable Security in which such person or their Immediate Family has, or by reason of such transaction acquires, any direct or indirect Beneficial Ownership in the Reportable Security:
- For each Reportable Security involved, the date of the transaction, the title and (as applicable) the exchange ticker symbol or CUSIP number, interest rate and maturity date, number of shares and principal amount;
  - The nature of the transaction (*i.e.*, purchase, sale or any other type of acquisition or disposition);

- The price of the Reportable Security at which the transaction was effected;
- The name of the broker, dealer or bank with or through which the transaction was effected; and
- The date the Supervised Person submits the report.

C. Exemptions from Holdings and Transaction Reports.

(i) A Supervised Person need not make holding or transaction reports with respect to:

- transactions effected pursuant to an Automatic Investment Plan;
- Securities held in Discretionary Accounts; or
- accounts in which a Supervised Person or their Immediate Family has a Beneficial Ownership interest that are restricted to invest solely in open-ended mutual Clients (e.g., 529 plans or 401(k) plans subject to such restrictions), provided that a Supervised Person with such an account must inform the CCO of the account and provide any information necessary to confirm to the CCO that the account is subject to such restrictions; or
- *for quarterly transaction reports only*, information that would duplicate information contained in broker trade confirmations or account statements that Adviser holds in its records, so long as Adviser receives such confirmations or statements no later than thirty (30) days after the end of the applicable calendar quarter (however, note that annual holdings reports must include such information even if it would duplicate information contained in such materials).

D. Beneficial Ownership Disclaimer.

Any report may contain a statement that the report will not be construed as an admission by the person making the report that he or she has any direct or indirect Beneficial Ownership in the Security to which the report relates.

E. Duplicate Confirmations and Statements.

All Supervised Persons will submit to the Compliance Department a report of every transaction involving a Reportable Security in which they, their Immediate Families and trusts of which they are trustees or other entities or accounts in which they have a Beneficial Ownership interest have participated on at least a quarterly basis. The report will include the name of the Reportable Security, date of the transaction, quantity, price and broker-dealer through which the transaction was effected. This requirement may be satisfied by sending duplicate confirmations of such trades to the Compliance Department (e.g. through an online Code of Ethics system). The CCO may request Supervised Person to direct their brokers to supply to the Compliance Department on a timely basis duplicate copies of confirmations of all personal transactions in Reportable Securities and copies of periodic statements for all accounts pertaining to trading in Reportable Securities by the Supervised Person and the Supervised Person's Immediate Family members. Such confirmations generally will be supplied, but where a broker is unable to supply confirmations, confirmations may be supplied in other written format.

F. Acknowledgment of Receipt of Code of Ethics.

Each Supervised Person must be provided with a copy of this Code of Ethics and any amendments. Each Supervised Person must provide the CCO or other designated compliance personnel with a written acknowledgment of their receipt of the Code of Ethics and any amendments. Such written acknowledgement may be in the form of a certification in the Navex PolicyTech system.

G. Confidentiality of Reporting Under Code of Ethics.

The Compliance Department and any other designated compliance personnel receiving reports of Supervised Person holdings and transactions under this Code of Ethics will keep such reports confidential, except to the extent that the CCO and such compliance personnel are required to disclose the contents of such reports to regulators. The CCO will confer with counsel to the extent the CCO believes necessary to determine whether the content of any such reports must be disclosed to such regulators.

H. Initial and Annual Discretionary Account Certifications.

Each Supervised Person must provide the Compliance Department or other designated compliance personnel with a written discretionary account or trust certification, in the form prescribed at Exhibit B (or similar), with respect to any Discretionary Account that holds Reportable Securities on behalf of such Supervised Person. Supervised Person must sign and deliver this certification to the Compliance Department within ten (10) calendar days of joining and within thirty (30) calendar days of 1st January each year thereafter.

**ARTICLE V. POLICY STATEMENT ON INSIDER TRADING**

The Adviser seeks to foster a reputation for integrity and professionalism. That reputation is a vital business asset. To further that goal, this Policy Statement implements procedures to deter the misuse of material, nonpublic information in securities transactions.

Accordingly, the Adviser forbids any Supervised Person (for purposes of Articles V and VI, this term will include Supervised Persons' Immediate Families) from trading, either personally or on behalf of others, while in possession of material, nonpublic information or communicating material, nonpublic information to others in violation of the law. This conduct is frequently referred to as "*insider trading*". This policy applies to every Supervised Person and extends to activities within and outside their duties at the Adviser.

Trading securities while in possession of material, nonpublic information or improperly communicating that information to others may expose you to stringent penalties. Criminal sanctions may include a fine of up to \$1,000,000 and/or 10 years imprisonment. The SEC can recover the profits gained or losses avoided through trading restricted under this Code of Ethics, impose a penalty of up to three times the illicit windfall and issue an order permanently barring you from the securities industry. Finally, you may be sued by investors seeking to recover damages for insider trading violations.

The term "*insider trading*" is not defined in the Federal Securities Laws, but generally is used to refer to the use of material, nonpublic information to trade in Securities (whether or not one is an "*insider*") or to the communication of material, nonpublic information to others. While the law concerning insider trading is not static, it is currently understood that the law generally prohibits:

14. trading by an insider, while in possession of material, nonpublic information;
15. trading by a non-insider, while in possession of material, nonpublic information, where the information either was disclosed to the non-insider in violation of an insider's duty to keep it confidential or was misappropriated; or
16. communicating material, nonpublic information to others.

The elements of insider trading and the penalties for such unlawful conduct are described in Exhibit A attached hereto. Any Supervised Person who has any question concerning the Adviser's policy and procedures regarding insider trading should consult with the CCO or his/her designee. To protect yourself and the Adviser, you should contact the CCO or his/her designee immediately if you believe that you may have received material, nonpublic information. Often, a single question can forestall disciplinary action or complex legal problems.

#### ARTICLE VI. PROCEDURES DESIGNED TO DETECT AND PREVENT INSIDER TRADING

The following procedures have been established to aid the Adviser and all Supervised Persons in avoiding insider trading, and to aid the Adviser in preventing, detecting, and imposing sanctions against insider trading. Every Supervised Person must follow these procedures or risk serious sanctions, including dismissal, substantial personal liability and/or criminal penalties. Any questions about these procedures should be directed to the CCO or his/her designee.

- A. Before trading Securities for yourself or others, a Supervised Person should ask themselves the following questions regarding information in their possession:
- (i) Is the information material? Is this information that an investor would consider important in making their investment decisions? Is this information that would substantially affect the market price of the Securities if generally disclosed?
  - (ii) Is the information nonpublic? To whom has this information been provided? Has the information been effectively communicated to the marketplace by being published in Reuters, The Wall Street Journal or other publications of general circulation?
- B. If, after consideration of the above, any Supervised Person believes that the information is material and nonpublic, or if a Supervised Person has questions as to whether the information is material and nonpublic, they should take the following steps:
- (i) Report the information and proposed trade immediately to the CCO or his/her designee.
  - (ii) Do not purchase or sell the Securities either on behalf of yourself or on behalf of others.
  - (iii) Do not communicate the information inside or outside the Adviser, other than to the CCO or his/her designee or other Supervised Persons with a legitimate business purpose for receiving the information.
  - (iv) After the CCO or his/her designee has reviewed the issue, the Supervised Person will be instructed either to continue the prohibitions against trading and communication because the CCO or his/her designee has determined that the information is material and nonpublic, or the Supervised Person will be allowed to trade the Security and communicate the information.
- C. Information in a Supervised Person's possession that is identified as material and nonpublic may not be communicated to anyone, including persons within the Adviser, except as otherwise provided herein. Supervised Persons should exercise care in discussing work matters with family members or in social settings so as to avoid divulging Material Nonpublic Information or "tipping" any person who may inappropriately or illegally trade based on such material nonpublic information. In addition, care should be taken so that such information is secure. For example, files containing material, nonpublic information should be sealed and access to computer files containing material, nonpublic information should be restricted, and conversations containing such information, if appropriate at all, should be conducted in private (for example, not by cellular telephone, to avoid potential interception).

- D. If, after consideration of the items set forth in Section 1 of this Article VI, doubt remains as to whether information is material or nonpublic, or if there is any unresolved question as to the applicability or interpretation of the foregoing procedures, or as to the propriety of any action, it must be discussed with the CCO or his/her designee before trading or communicating the information to anyone.
- E. Special considerations will apply to the extent an Adviser or one of its affiliates retains one or more "Expert Networks," *i.e.*, service providers that place Supervised Persons in contact with individual industry experts ("Experts") for transaction diligence. Supervised Persons should follow the MNPI procedures at Appendix B when dealing with Expert Networks.

**ARTICLE VII. ADMINISTRATION OF THE CODE OF ETHICS**

- A. Each Supervised Person must report any violations of this Code of Ethics promptly to the CCO or his/her designee.
- B. The Compliance Department will review reports as well as the holdings and transaction reports submitted by Supervised Persons pursuant to Article IV.
- C. Each Supervised Person must provide the CCO or other designated compliance personnel with a written acknowledgment of their receipt of the Code of Ethics and any amendments. Such written acknowledgment may be in the form of an attestation.
- D. The CCO may, under circumstances that they deem appropriate and not opposed to the interests of the Adviser's clients, create exceptions to requirements under this Code of Ethics that are not expressly mandated under the Federal Securities Laws. The CCO will inform any Supervised Persons affected by such exceptions in writing.
- E. The Adviser is providing Supervised Persons with the opportunity to make reports necessary under this Code of Ethics as a convenience. Supervised Persons make reports and submit personal information at their own risk, and each Supervised Person agrees that in the event of a software malfunction (*e.g.*, loss of data, inadequate safeguarding of personal information), such Supervised Person's sole recourse will be against the software vendor and not against the Adviser, their affiliates or personnel.

**ARTICLE VIII. SANCTIONS**

A Supervised Person who mistakenly discloses or discovers that someone else has disclosed material non- public information about any publicly-traded company must immediately contact the CCO.

Upon discovery of a violation of this Code of Ethics, the Adviser may impose such sanctions as they deem appropriate, including, among other sanctions, a letter of censure or suspension, or termination of the employment of the violator.

## EXHIBIT A

### 1. Who is an Insider?

The concept of “insider” is broad. It includes officers, directors, manager and employees of a company. In addition, a person can be a “temporary insider” if he or she enters into a special confidential relationship in the conduct of a company’s affairs and as a result is given access to information solely for the company’s purposes. A temporary insider can include, among others, a company’s attorneys, accountants, consultants, bank lending officers and the employees of such organizations. In addition, an Adviser may become a temporary insider of a company it advises, for which it performs other services or in which it is considering an investment. According to the United States Supreme Court, the company must expect the outsider to keep the disclosed nonpublic information confidential, and the relationship must at least imply such a duty before the outsider will be considered an insider. A person can also be subject to the prohibitions of an insider if the person wrongfully received or procured the confidential information, such as through insiders wrongfully disclosing information to such person.

### 2. What is material information?

Trading on inside information is not a basis for liability unless the information is material. “Material information” generally is defined as information for which there is a substantial likelihood that a reasonable investor would consider it important in making their investment decisions, or information that is reasonably certain to have a substantial effect on the price of a company’s securities. No simple “bright line” test exists to determine when information is material. Assessments of materiality involve a highly fact-specific inquiry. For this reason, you should direct any question about whether information is material to the CCO or his/her designee.

Material information often relates to a company’s results and operations including, for example, dividend changes, earnings results, changes in previously released earnings estimates, significant merger or acquisition proposals or agreements, major litigation, liquidation problems, entering into material agreements, loss or gain of major customer and extraordinary management developments.

Material information also may relate to the market for a company’s securities. Information about a significant order to purchase or sell securities may, in some contexts, be deemed material.

Material information does not have to relate to a company’s business. For example, in Carpenter v. U.S., 108 U.S. 316 (1987), the United States Supreme Court considered as material certain information about the contents of a forthcoming newspaper column that was expected to affect the market price of a security. In that case, a Wall Street Journal reporter was found criminally liable for disclosing to others the dates that reports on various companies would appear in The Wall Street Journal and whether those reports would be favorable or unfavorable.

### 3. What is nonpublic information?

Information is nonpublic until it has been effectively disseminated broadly to investors in the marketplace. One must be able to point to some fact to show that the information is generally public. For example, information is public after it has become available to the general public through a public filing with the SEC or some other governmental agency, the Dow Jones “tape,” Reuters Economic Services, The Wall Street Journal or other publications of general circulation, and after sufficient time has passed so that the information has been disseminated widely.

### 4. What are the penalties for insider trading?

Penalties for trading on or communicating material, nonpublic information are severe, both for individuals involved in such unlawful conduct and their employers. The SEC and other federal authorities have announced vigorous enforcement of insider trading laws and are actively pursuing cases involving private Clients and their personnel. A person can be subject to some or all of the penalties below even if they do not personally benefit from the violation. Penalties include: (a) civil injunctions; (b) treble damages; (c) disgorgement of profits; (d) jail sentences; (e) fines for the person who committed the violation of up to three times the profit gained or loss avoided, whether or not the person actually benefited; and (f) fines for the employer or other controlling person of up to the greater of \$1,000,000 or three times the amount of the profit gained or loss avoided.



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In addition to the foregoing, any violation of the Adviser's Policy with respect to Insider Trading can be expected to result in serious sanctions by the Adviser as set forth in Article V of the Trading Policy, including dismissal of the person or persons involved.

**Discretionary Account Certification**

**CERTIFICATION OF NO INFLUENCE OR CONTROL OVER ACCOUNT**

Dear BC Partners Compliance Team,

\_\_\_\_\_ (the "**Manager**") hereby certifies that (i) the account(s) set forth below is/are managed for the benefit of \_\_\_\_\_ (the "**Investor**"), or for the benefit of one or more members of the family of the Investor, on a discretionary basis by the Manager, (ii) The Manager is not a member of the Investor's family, and (iii) neither the Investor nor any member of the Investor's family has any direct or indirect influence or control over any particular transaction made or to be made in the account, other than with respect to broad asset allocation instructions. The Manager further certifies that securities transactions for the account(s) are made without informing the Investor or any member of the Investor's family of any details regarding such investment decisions until after the transactions have been effected.

Account No. \_\_\_\_\_

Account Beneficiary \_\_\_\_\_

Account Type \_\_\_\_\_

The Manager certifies that:

- All decisions regarding purchases and sales of securities are made on a discretionary basis for the account(s) listed above.
- The employee named above (and members of his or her Family/Household) do not have the ability to make any specific purchases or sales of securities for the account(s) listed above.

The employee named above (and members of his or her Family/Household) did not instruct the Manager as to the allocation of securities in the account.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## POWER OF ATTORNEY

Each officer and director of Portman Ridge Finance Corporation whose signature appears below constitutes and appoints Brandon Satoren and Patrick Schafer, and each of them (with full power to each of them to act alone), as the undersigned's true and lawful attorneys-in-fact and agents, with full power of substitution and re-substitution, for, on behalf of and in the name, place and stead of the undersigned, in any and all capacities, to sign, execute and file the registration statement on Form N-2 under the Securities Act of 1933, as amended, and any or all amendments (including, without limitation, any pre-effective amendments, post-effective amendments and supplements to the registration statement) and any additional registration statement filed pursuant to Rule 462(b), with all exhibits thereto, and any and all documents in connection therewith, with the U.S. Securities and Exchange Commission or any other regulatory authority, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing appropriate or necessary to be done in order to effectuate the same, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

All past acts of an attorney-in-fact in furtherance of the foregoing are hereby ratified and confirmed. This Power of Attorney may be executed in multiple counterparts, each of which shall be deemed an original, but which taken together shall constitute one instrument.

IN WITNESS WHEREOF, each of the undersigned have executed this instrument as of the dates indicated below.

Signature	Title	Date
<u>/s/ Alexander Duka</u> Alexander Duka	Independent Director	November 25, 2024
<u>/s/ George Grunebaum</u> George Grunebaum	Independent Director	November 25, 2024
<u>/s/ Dean C. Kehler</u> Dean C. Kehler	Independent Director	November 25, 2024
<u>/s/ Robert Warshauer</u> Robert Warshauer	Independent Director	November 25, 2024
<u>/s/ Jennifer Chou</u> Jennifer Chou	Independent Director	November 25, 2024
<u>/s/ Matthew Westwood</u> Matthew Westwood	Independent Director	November 25, 2024
<u>/s/ Joseph Morea</u> Joseph Morea	Independent Director	November 25, 2024

## Calculation of Filing Fee Tables

Form N-2  
(Form Type)Portman Ridge Finance Corporation  
(Exact Name of Registrant as Specified in its Charter)

Table 1: Newly Registered and Carry Forward Securities

	Security Type	Security Class Title	Fee Calculation or Carry Forward Rule	Amount Registered (1)	Proposed Maximum Offering Price Per Share (1)	Maximum Aggregate Offering Price (1)	Fee Rate	Amount of Registration Fee (1)(6)	Carry Forward Form Type	Carry Forward File Number	Carry Forward Initial Effective Date	Filing Fee Previously Paid in Connection with Unsold Securities to be Carried Forward
Fees to be Paid	Equity	Common Stock, \$0.01 par value per share										
	Equity	Preferred Stock, \$0.01 par value per share										
	Equity	Subscription Rights										
	Other	Warrants										
	Debt	Debt Securities										
	Unallocated (Universal) Shelf	Unallocated (Universal) Shelf										
Carry Forward Securities	Equity	Common Stock, \$0.01 par value per share (2)(3)	415(a)(6)									
	Equity	Preferred Stock, \$0.01 par value per share (2)	415(a)(6)									
	Equity	Subscription Rights (2)	415(a)(6)									
	Other	Warrants (4)	415(a)(6)									
	Debt	Debt Securities (5)	415(a)(6)									
	Unallocated (Universal) Shelf	Unallocated (Universal) Shelf	415(a)(6)			\$500,000,000 (7)			N-2	333-260072	December 2, 2021	\$46,350
	<b>Total Offering Amounts</b>					\$500,000,000 (6)(7)	—	—				
	<b>Total Fees Previously Paid</b>							—				
	<b>Total Fee Offsets</b>							—				
	<b>Net Fee Due</b>							\$0				

- (1) Estimated solely for the purpose of calculating the registration fee. Pursuant to Rule 457(o) of the rules and regulations under the Securities Act of 1933, as amended (the "Securities Act"), which permits the registration fee to be calculated on the basis of the maximum offering price of all the securities listed, the table does not specify by each class information as to the amount to be registered, proposed maximum offering price per unit or proposed maximum aggregate offering price.
- (2) Subject to Note 6 below, there is being registered hereunder an indeterminate amount of common stock, preferred stock, or subscription rights as may be sold, from time to time.
- (3) Includes such indeterminate number of shares of the Registrant's common stock as may, from time to time, be issued upon conversion or exchange of other securities registered hereunder, to the extent any such securities are, by their terms, convertible or exchangeable for common stock.
- (4) Subject to Note 6 below, there is being registered hereunder an indeterminate amount of the Registrant's warrants as may be sold, from time to time, representing rights to purchase common stock, preferred stock or debt securities of the Registrant.
- (5) Subject to Note 6 below, there is being registered hereunder an indeterminate number of debt securities of the Registrant as may be sold, from time to time. If any debt securities of the Registrant are issued at an original issue discount, then the offering price shall be in such greater principal amount as shall result in an aggregate price to investors not to exceed \$500,000,000.
- (6) In no event will the aggregate offering price of all securities issued from time to time pursuant to this registration statement exceed \$500,000,000.
- (7) Pursuant to Rule 415(a)(6) under the Securities Act, this registration statement includes \$500,000,000 aggregate principal offering price of the Registrant's unsold securities (the "Unsold Securities") that were previously registered for sale under a Registration Statement on Form N-2 (File No. 333-260072), which was initially filed on October 5, 2021, amended on November 23, 2021, and declared effective on December 2, 2021 (the "Prior Registration Statement"). The Registrant previously paid filing fees in the aggregate of \$46,350 relating to the Registrant's securities registered on the Prior Registration Statement. Pursuant to Rule 415(a)(6) under the Securities Act, the filing fees previously paid with respect to the Unsold Securities will continue to be applied to such Unsold Securities. Pursuant to Rule 415(a)(6) under the Securities Act, the offering of Unsold Securities under the Prior Registration Statement will be deemed terminated as of the date of effectiveness of this registration statement.