UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended December 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 814-00704

GLADSTONE INVESTMENT CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**83-0423116**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1521 WESTBRANCH DRIVE, SUITE 100 MCLEAN, VA (Address of principal executive offices)	**22102** (Zip Code)

(703) 287-5800
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, $0.001 par value per share	GAIN	The Nasdaq Stock Market LLC
5.00% Notes due 2026	GAINN	The Nasdaq Stock Market LLC
4.875% Notes due 2028	GAINZ	The Nasdaq Stock Market LLC
8.00% Notes due 2028	GAINL	The Nasdaq Stock Market LLC
7.875% Notes due 2030	GAINI	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	o	Accelerated filer	o
Non-accelerated filer	x	Smaller reporting company	o
Emerging growth company	o		

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 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

The number of shares of the issuer's Common Stock, $0.001 par value per share, outstanding as of February 11, 2025 was 36,837,381.

GLADSTONE INVESTMENT CORPORATION
TABLE OF CONTENTS

PART I.	FINANCIAL INFORMATION:	
Item 1.	Financial Statements (Unaudited)	
	Consolidated Statements of Assets and Liabilities as of December 31, 2024 and March 31, 2024	2
	Consolidated Statements of Operations for the three and nine months ended December 31, 2024 and 2023	3
	Consolidated Statements of Changes in Net Assets for the three and nine months ended December 31, 2024 and 2023	4
	Consolidated Statements of Cash Flows for the nine months ended December 31, 2024 and 2023	5
	Consolidated Schedules of Investments as of December 31, 2024 and March 31, 2024	6
	Notes to Consolidated Financial Statements	16
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	
	Overview	45
	Results of Operations	49
	Liquidity and Capital Resources	59
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	67
Item 4.	Controls and Procedures	67
PART II.	OTHER INFORMATION:	
Item 1.	Legal Proceedings	68
Item 1A.	Risk Factors	68
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	68
Item 3.	Defaults Upon Senior Securities	68
Item 4.	Mine Safety Disclosures	68
Item 5.	Other Information	68
Item 6.	Exhibits	69
SIGNATURE		70

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES
(DOLLAR AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

		December 31, 2024	March 31, 2024
SETS			
estments at fair value			
Non-Control/Non-Affiliate investments (Cost of **$644,871** and $544,799, respectively)	$	**740,581**	622,233
Affiliate investments (Cost of **$359,461** and $292,082, respectively)		**331,145**	295,366
Control investments (Cost of **$17,409** and $17,409, respectively)		**504**	2,905
sh and cash equivalents		**2,569**	2,460
stricted cash and cash equivalents		**578**	760
erest receivable		**6,245**	7,627
e from administrative agent		**3,301**	3,427
ferred financing costs, net		**1,180**	1,643
ıer assets, net		**1,657**	1,662
TAL ASSETS	$	**1,087,760**	938,083
ABILITIES			
rrowings:			
Line of credit at fair value (Cost of **$91,500** and $67,000, respectively)	$	**91,500**	67,000
Notes payable, net		**455,058**	331,345
Total borrowings		**546,558**	398,345
counts payable and accrued expenses		**1,898**	732
erest payable		**3,750**	3,465
s due to Adviser[A]		**44,305**	41,344
due to Administrator[A]		**618**	727
ıer liabilities		**578**	759
TAL LIABILITIES	$	**597,707**	445,372
mmitments and contingencies[B]			
T ASSETS	$	**490,053**	492,711
ALYSIS OF NET ASSETS			
Common stock, $0.001 par value per share, **100,000,000** shares authorized, **36,837,381** and 36,688,667 shares issued and outstanding, respectively	$	**37**	37
pital in excess of par value		**445,547**	444,706
mulative net unrealized appreciation of investments		**50,489**	66,214
erdistributed net investment income		**(21,460)**	(19,562)
cumulated net realized gain in excess of distributions		**15,440**	1,316
Total distributable earnings		**44,469**	47,968
TAL NET ASSETS	$	**490,053**	492,711
T ASSET VALUE PER SHARE	$	**13.30**	13.43

(A) Refer to Note 4 — *Related Party Transactions* in the accompanying *Notes to Consolidated Financial Statements* for additional information.
(B) Refer to Note 9 — *Commitments and Contingencies* in the accompanying *Notes to Consolidated Financial Statements* for additional information.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(DOLLAR AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2024	**2023**	**2024**	**2023**
INVESTMENT INCOME				
Interest income				
Non-Control/Non-Affiliate investments	**$ 15,041**	$ 15,237	**$ 44,688**	$ 41,353
Affiliate investments	**5,413**	6,351	**17,287**	18,285
Cash and cash equivalents	**74**	111	**174**	731
Total interest income	**20,528**	21,699	**62,149**	60,369
Dividend income				
Non-Control/Non-Affiliate investments	**—**	—	**1,419**	—
Affiliate investments	**—**	—	**—**	1,907
Total dividend income	—	—	**1,419**	1,907
Success fee income				
Non-Control/Non-Affiliate investments	**407**	1,382	**1,960**	1,382
Affiliate investments	**436**	—	**586**	—
Total success fee income	**843**	1,382	**2,546**	1,382
Total investment income	**$ 21,371**	$ 23,081	**$ 66,114**	$ 63,658
EXPENSES				
Base management fee[(A)]	**$ 4,872**	$ 4,602	**$ 13,937**	$ 12,874
Loan servicing fee[(A)]	**2,405**	2,332	**6,821**	6,829
Incentive fee[(A)]	**9,353**	1,667	**7,797**	15,401
Administration fee[(A)]	**405**	450	**1,478**	1,306
Interest expense on borrowings	**6,385**	6,520	**19,264**	17,598
Amortization of deferred financing costs and discounts	**691**	589	**1,951**	1,708
Professional fees	**400**	411	**1,211**	1,030
Other general and administrative expenses	**955**	891	**3,757**	2,404
Expenses before credits from Adviser	**25,466**	17,462	**56,216**	59,150
Credits to base management fee – loan servicing fee [(A)]	**(2,405)**	(2,332)	**(6,821)**	(6,829)
Credits to fees from Adviser - other [(A)]	**(2,851)**	(1,793)	**(4,147)**	(5,117)
Total expenses, net of credits to fees	**20,210**	13,337	**45,248**	47,204
NET INVESTMENT INCOME	**$ 1,161**	$ 9,744	**$ 20,866**	$ 16,454
REALIZED AND UNREALIZED GAIN (LOSS)				
Net realized gain:				
Non-Control/Non-Affiliate investments	**$ —**	$ 43,459	**$ 21**	$ 43,748
Affiliate investments	**—**	2	**42,284**	275
Control investments	**—**	—	**—**	882
Total net realized gain	**—**	43,461	**42,305**	44,905
Net unrealized appreciation (depreciation):				
Non-Control/Non-Affiliate investments	**30,247**	(42,325)	**18,277**	7,470
Affiliate investments	**7,149**	(4,110)	**(31,600)**	(5,887)
Control investments	**(67)**	(99)	**(2,402)**	(192)
Other	**—**	(92)	**—**	(29)
Total net unrealized appreciation (depreciation)	**37,329**	(46,626)	**(15,725)**	1,362
Net realized and unrealized gain (loss)	**37,329**	(3,165)	**26,580**	46,267
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	**$ 38,490**	$ 6,579	**$ 47,446**	$ 62,721
BASIC AND DILUTED PER COMMON SHARE:				
Net investment income	**$ 0.03**	$ 0.28	**$ 0.57**	$ 0.49
Net increase in net assets resulting from operations	**$ 1.05**	$ 0.19	**$ 1.29**	$ 1.85
WEIGHTED-AVERAGE SHARES OF COMMON STOCK OUTSTANDING:				
Basic and diluted	**36,727,873**	34,351,597	**36,701,783**	33,921,300

(A) Refer to Note 4 — *Related Party Transactions* in the accompanying *Notes to Consolidated Financial Statements* for additional information.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
(IN THOUSANDS)
(UNAUDITED)

	2024	2023
NET ASSETS, MARCH 31	**$ 492,711**	$ 439,742
OPERATIONS		
Net investment income	**12,414**	8,440
Net realized gain on investments	**2**	1,155
Net unrealized depreciation of investments	**(18,942)**	(820)
Net unrealized depreciation of other	**—**	11
Net (decrease) increase in net assets from operations	**(6,526)**	8,786
DISTRIBUTIONS[A]		
Distributions to common stockholders from net investment income (**$0.24** and $0.21 per share, respectively)	**(8,805)**	(7,069)
Distributions to common stockholders from net realized gains (**$0.00** and $0.15 per share, respectively)	**—**	(5,024)
Net decrease in net assets from distributions	**(8,805)**	(12,093)
CAPITAL ACTIVITY		
Issuance of common stock	**—**	—
Discounts, commissions, and offering costs for issuance of common stock	**—**	—
Net increase in net assets from capital activity	**—**	—
NET DECREASE IN NET ASSETS	**(15,331)**	(3,307)
NET ASSETS, JUNE 30	**$ 477,380**	$ 436,435
OPERATIONS		
Net investment income (loss)	**$ 7,291**	$ (1,730)
Net realized gain on investments	**42,303**	289
Net unrealized (depreciation) appreciation of investments	**(34,112)**	48,745
Net unrealized depreciation of other	**—**	52
Net increase in net assets from operations	**15,482**	47,356
DISTRIBUTIONS[A]		
Distributions to common stockholders from net investment income (**$0.24** and $0.20 per share, respectively)	**(8,805)**	(6,665)
Distributions to common stockholders from net realized gains (**$0.70** and $0.16 per share, respectively)[B]	**(25,682)**	(5,519)
Net decrease in net assets from distributions	**(34,487)**	(12,184)
CAPITAL ACTIVITY		
Issuance of common stock	**—**	4,121
Discounts, commissions, and offering costs for issuance of common stock	**—**	(62)
Net increase in net assets from capital activity	**—**	4,059
NET (DECREASE) INCREASE IN NET ASSETS	**(19,005)**	39,231
NET ASSETS, SEPTEMBER 30	**$ 458,375**	$ 475,666
OPERATIONS		
Net investment income	**$ 1,161**	$ 9,744
Net realized gain on investments	**—**	43,461
Net unrealized appreciation (depreciation) of investments	**37,329**	(46,534)
Net unrealized appreciation of other	**—**	(92)
Net increase in net assets from operations	**38,490**	6,579
DISTRIBUTIONS[A]		
Distributions to common stockholders from net investment income (**$0.16** and $0.43 per share, respectively)	**(5,870)**	(15,093)
Distributions to common stockholders from net realized gains (**$0.08** and $0.81 per share, respectively)	**(2,947)**	(28,009)
Net decrease in net assets from distributions	**(8,817)**	(43,102)
CAPITAL ACTIVITY		
Issuance of common stock	**2,029**	21,130
Discounts, commissions, and offering costs for issuance of common stock	**(24)**	(332)
Net increase in net assets from capital activity	**2,005**	20,798
NET INCREASE (DECREASE) IN NET ASSETS	**31,678**	(15,725)
NET ASSETS, DECEMBER 31	**$ 490,053**	$ 459,941

[A] Refer to Note 8 — *Distributions to Common Stockholders* in the accompanying *Notes to Consolidated Financial Statements* for additional information.
[B] Includes $0.70 per common share of distributions declared and unpaid as of September 30, 2024, as such distribution was a supplemental distribution declared on September 17, 2024 with a record date of October 4, 2024 and a payment date of October 15, 2024.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)
(UNAUDITED)

	Nine Months Ended December 31,	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net increase in net assets resulting from operations	**$ 47,446**	$ 62,721
Adjustments to reconcile net increase in net assets resulting from operations to net cash (used in) provided by operating activities:		
Purchase of investments	**(207,192)**	(182,988)
Principal repayments of investments	**33,500**	27,500
Net proceeds from the sale and recapitalization of investments	**48,546**	52,228
Net realized gain on investments	**(42,305)**	(44,905)
Net unrealized depreciation (appreciation) of investments	**15,725**	(1,391)
Net unrealized appreciation of other	**—**	29
Amortization of deferred financing costs and discounts	**1,951**	1,708
Bad debt expense (recoveries), net	**1,093**	(54)
Changes in assets and liabilities:		
Decrease (increase) in interest receivable	**553**	(3,537)
Decrease in due from administrative agent	**126**	1,748
(Increase) decrease in other assets, net	**(103)**	99
Increase in accounts payable and accrued expenses	**1,403**	810
Increase in interest payable	**285**	1,236
Increase in fees due to Adviser [(A)]	**2,890**	8,724
Decrease in fee due to Administrator [(A)]	**(109)**	(141)
(Decrease) increase in other liabilities	**(181)**	496
Net cash used in operating activities	**(96,372)**	(75,717)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common stock	**2,029**	25,251
Discounts, commissions, and offering costs for issuance of common stock	**(24)**	(297)
Proceeds from line of credit	**192,000**	231,900
Repayments on line of credit	**(167,500)**	(184,500)
Proceeds from issuance of notes payable	**126,500**	74,750
Deferred financing and offering costs	**(4,597)**	(3,671)
Distributions paid to common stockholders	**(52,109)**	(67,379)
Net cash provided by financing activities	**96,299**	76,054
NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS	**(73)**	337
CASH, CASH EQUIVALENTS, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS, BEGINNING OF PERIOD	**3,220**	3,248
CASH, CASH EQUIVALENTS, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS, END OF PERIOD	**$ 3,147**	$ 3,585
CASH PAID FOR INTEREST	**$ 17,912**	$ 15,585

[(A)] Refer to Note 4 — *Related Party Transactions* in the accompanying *Notes to Consolidated Financial Statements* for additional information.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
DECEMBER 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS)
(UNAUDITED)

Company and Investment[A][B][D][E]	Principal/Shares/ Units[F][H]	Cost	Fair Value
NON-CONTROL/NON-AFFILIATE INVESTMENTS[L] – 151.1%			
Secured First Lien Debt –78.9%			
Aerospace and Defense – 12.5%			
Ricardo Defense, Inc. [K] – Term Debt (SOFR+9.0%, 13.3% Cash, Due 12/2029)[J]	$ 61,305	**$ 61,305**	**$ 61,305**
Buildings and Real Estate – 7.8%			
Dema/Mai Holdings, Inc. – Term Debt (SOFR+11.0%, 15.3% Cash, Due 7/2027)[J]	38,250	**38,250**	**38,250**
Diversified/Conglomerate Manufacturing – 1.1%			
Phoenix Door Systems, Inc. – Line of Credit, $200 available (SOFR+7.0%, 11.3% Cash (0.3% Unused Fee), Due 9/2026)[J]	2,750	2,750	2,750
Phoenix Door Systems, Inc. – Term Debt (SOFR+11.0%, 15.3% Cash, Due 9/2026)[J]	3,200	3,200	2,405
		5,950	**5,155**
Diversified/Conglomerate Services – 12.9%			
Horizon Facilities Services, Inc. – Term Debt (SOFR+7.5%, 11.8% Cash, Due 6/2026)[J]	57,700	57,700	37,812
Mason West, LLC – Term Debt (SOFR+10.0%, 14.3% Cash, Due 7/2025)[J]	25,250	25,250	25,250
		82,950	**63,062**
Healthcare, Education, and Childcare – 4.1%			
Educators Resource, Inc. – Term Debt (SOFR+10.5%, 14.8% Cash, Due 3/2025)[J]	20,000	**20,000**	**20,000**
Home and Office Furnishings, Housewares, and Durable Consumer Products –7.5%			
Brunswick Bowling Products, Inc. – Term Debt (SOFR+10.0%, 14.3% Cash, Due 1/2026)[J]	17,700	17,700	17,700
Brunswick Bowling Products, Inc. – Term Debt (SOFR+10.0%, 14.3% Cash, Due 1/2026)[J]	6,850	6,850	6,850
Ginsey Home Solutions, Inc. – Term Debt (SOFR+10.0%, 14.3% Cash, Due 11/2025)[J]	12,200	12,200	12,200
		36,750	**36,750**
Hotels, Motels, Inns, and Gaming – 17.4%			
Nocturne Luxury Villas, Inc. – Line of Credit, $0 available (SOFR+8.0%, 12.3% Cash, Due 6/2026)[J]	6,000	6,000	6,000
Nocturne Luxury Villas, Inc. – Term Debt (SOFR+10.5%, 14.5% Cash, Due 6/2026)[J][O]	79,600	79,600	79,600
		85,600	**85,600**
Leisure, Amusement, Motion Pictures, and Entertainment – 5.7%			
Schylling, Inc. – Term Debt (SOFR+11.0%, 15.3% Cash, Due 9/2027)[J]	27,981	**27,981**	**27,981**
Oil and Gas – 7.0%			
The E3 Company, LLC – Line of Credit, $1,500 available (SOFR+5.5%, 10.0% Cash, Due 2/2025)[J]	500	500	500
The E3 Company, LLC – Term Debt (SOFR+9.0%, 13.3% Cash, Due 9/2028)[J]	33,750	33,750	33,750
		34,250	**34,250**
Printing and Publishing – 2.9%			
Home Concepts Acquisition, Inc. – Line of Credit, $0 available (SOFR+6.0%, 10.3% Cash, Due 11/2025)[J]	2,000	2,000	2,000
Home Concepts Acquisition, Inc. – Line of Credit, $0 available (SOFR+6.0%, 10.3% Cash, Due 11/2025)[J]	400	400	400
Home Concepts Acquisition, Inc. – Term Debt (SOFR+9.0%, 13.3% Cash, Due 5/2028)[J]	12,000	12,000	12,000
		14,400	**14,400**
Total Secured First Lien Debt		**$ 407,436**	**$ 386,753**
Secured Second Lien Debt –18.9%			
Aerospace and Defense – 5.2%			
Galaxy Technologies Holdings, Inc. – Term Debt (SOFR+4.1%, 8.4% Cash, Due 10/2026)[J]	$ 6,900	$ 6,900	$ 6,900
Galaxy Technologies Holdings, Inc. – Term Debt (SOFR+7.0%, 11.3% Cash, Due 10/2026)[J]	18,796	18,796	18,796
		25,696	**25,696**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
DECEMBER 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS)
(UNAUDITED)

Company and Investment[A][B][D][E]	Principal/Shares/ Units[F][H]	Cost	Fair Value
Cargo Transport – 2.6%			
Diligent Delivery Systems – Term Debt (SOFR+9.0%, 13.3% Cash, Due 9/2025)[G][I]	$ 13,000	**$ 13,000**	**$ 12,514**
Machinery (Non-Agriculture, Non-Construction, and Non-Electronic) – 11.1%			
SFEG Holdings, Inc. – Term Debt (SOFR+7.0%, 12.5% Cash, Due 10/2028)[J]	54,644	**54,644**	**54,644**
Total Secured Second Lien Debt		**$ 93,340**	**$ 92,854**
Preferred Equity – 43.0%			
Aerospace and Defense – 3.6%			
Ricardo Defense, Inc.[K] – Preferred Stock[C][J]	17,388	**$ 17,388**	**$ 17,388**
Buildings and Real Estate – 4.8%			
Dema/Mai Holdings, Inc. – Preferred Stock[C][J]	21,000	**21,000**	**23,453**
Diversified/Conglomerate Services – 1.9%			
Horizon Facilities Services, Inc. – Preferred Stock[C][J]	10,080	—	—
Mason West, LLC – Preferred Stock[C][J]	11,206	11,206	9,474
		11,206	**9,474**
Healthcare, Education, and Childcare – 4.9%			
Educators Resource, Inc. – Preferred Stock[C][J]	8,560	**8,560**	**24,131**
Home and Office Furnishings, Housewares, and Durable Consumer Products –10.7%			
Brunswick Bowling Products, Inc. – Preferred Stock[C][J]	6,653	6,653	48,081
Ginsey Home Solutions, Inc. – Preferred Stock[C][J]	19,280	9,583	4,465
		16,236	**52,546**
Hotels, Motels, Inns, and Gaming – 6.3%			
Nocturne Luxury Villas, Inc. – Preferred Stock[C][J]	6,600	**6,600**	**30,934**
Leisure, Amusement, Motion Pictures, and Entertainment – 3.9%			
Schylling, Inc. – Preferred Stock[C][J]	4,000	**4,000**	**19,173**
Oil and Gas – 6.9%			
The E3 Company, LLC – Preferred Stock[C][J]	11,233	**11,233**	**33,525**
Printing and Publishing – 0.0%			
Home Concepts Acquisition, Inc. – Preferred Stock[C][J]	3,275	**3,275**	—
Total Preferred Equity		**$ 99,498**	**$ 210,624**
Common Equity/Equivalents – 10.3%			
Aerospace and Defense – 0.8%			
Galaxy Technologies Holdings, Inc. – Common Stock[C][J]	16,957	**$ 11,513**	**$ 4,075**
Cargo Transport – 0.0%			
Diligent Delivery Systems – Common Stock Warrants[C][J]	8 %	**500**	—
Diversified/Conglomerate Manufacturing – 0.0%			
Phoenix Door Systems, Inc. – Common Stock[C][J]	4,221	**1,830**	—
Home and Office Furnishings, Housewares, and Durable Consumer Products –0.0%			
Ginsey Home Solutions, Inc. – Common Stock[C][J]	63,747	**8**	—

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
DECEMBER 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS)
(UNAUDITED)

Company and Investment[A][B][D][E]	Principal/Shares/ Units[F][H]	Cost	Fair Value
Machinery (Non-Agriculture, Non-Construction, and Non-Electronic) – 9.5%			
SFEG Holdings, Inc. – Common Stock[C][J]	18,721	**30,746**	**46,275**
Total Common Equity/Equivalents		**$ 44,597**	**$ 50,350**
Total Non-Control/Non-Affiliate Investments		**$ 644,871**	**$ 740,581**
AFFILIATE INVESTMENTS[M] – 67.6%			
Secured First Lien Debt –43.4%			
Diversified/Conglomerate Services – 16.4%			
ImageWorks Display and Marketing Group, Inc. – Term Debt (SOFR+11.0%, 15.3% Cash, Due 11/2025)[J]	$ 22,000	$ 22,000	$ 22,000
J.R. Hobbs Co. - Atlanta, LLC – Line of Credit, $0 available (SOFR+6.0%, 10.3% Cash, Due 6/2025)[G][J]	5,000	5,000	2,981
J.R. Hobbs Co. - Atlanta, LLC – Term Debt (SOFR+6.0%, 10.3% Cash, Due 6/2025)[G][J]	16,500	16,500	9,838
J.R. Hobbs Co. - Atlanta, LLC – Term Debt (SOFR+10.3%, 14.6% Cash, Due 6/2025)[G][J]	26,000	26,000	15,503
J.R. Hobbs Co. - Atlanta, LLC – Term Debt (SOFR+6.0%, 10.3% Cash, Due 6/2025)[G][J]	2,438	2,438	1,454
The Maids International, LLC – Term Debt (SOFR+10.5%, 14.8% Cash, Due 3/2025)[J]	28,560	28,560	28,560
		100,498	**80,336**
Electronics – 10.0%			
Nielsen-Kellerman Acquisition Corp.[K] – Line of Credit, $2,820 available (SOFR+5.0%, 10.0% Cash, Due 12/2025)[J]	1,070	1,070	1,070
Nielsen-Kellerman Acquisition Corp.[K] – Term Debt (SOFR+8.5%,13.5% Cash, Due 12/2029)[J]	48,082	48,082	48,082
		49,152	**49,152**
Home and Office Furnishings, Housewares, and Durable Consumer Products –7.8%			
Old World Christmas, Inc. – Term Debt (SOFR+9.5%, 13.8% Cash, Due 12/2025)[J]	38,000	**38,000**	**38,000**
Leisure, Amusement, Motion Pictures, and Entertainment –4.1%			
Pyrotek Special Effects, Inc.[Q] – Line of Credit, $0 available (SOFR+5.0%, 10.0% Cash, Due 11/2029)[J]	3,000	3,000	3,000
Pyrotek Special Effects, Inc.[Q] – Term Debt (SOFR+8.0%, 13.0% Cash, Due 11/2029)[J]	17,120	17,120	17,120
		20,120	**20,120**
Mining, Steel, Iron and Non-Precious Metals – 3.7%			
UPB Acquisition, Inc. – Term Debt (SOFR+10.0%, 14.3% Cash, Due 7/2026)[J]	18,250	**18,250**	**18,250**
Telecommunications – 1.4%			
B+T Group Acquisition, Inc.[K] – Line of Credit, $0 available (SOFR+2.0%, 7.0% Cash, Due 12/2026)[G][J]	3,080	3,080	3,080
B+T Group Acquisition, Inc.[K] – Line of Credit, $297 available (SOFR+2.0%, 7.0% Cash, Due 6/2025)[G][J]	753	753	753
B+T Group Acquisition, Inc.[K] – Term Debt (SOFR+2.0%, 7.0% Cash, Due 12/2026)[G][J]	14,000	14,000	2,963
		17,833	**6,796**
Total Secured First Lien Debt		**$ 243,853**	**$ 212,654**
Secured Second Lien Debt –3.3%			
Chemicals, Plastics, and Rubber – 3.3%			
PSI Molded Plastics, Inc. – Term Debt (SOFR+5.5%, 9.8% Cash, Due 1/2026)[J]	$ 26,618	**$ 26,618**	**$ 15,889**
Total Secured Second Lien Debt		**$ 26,618**	**$ 15,889**
Preferred Equity – 19.9%			
Chemicals, Plastics, and Rubber – 0.0%			
PSI Molded Plastics, Inc. – Preferred Stock[C][J]	158,598	**$ 19,730**	**$ —**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
DECEMBER 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS)
(UNAUDITED)

Company and Investment[A][B][D][E]	Principal/Shares/ Units[F][H]	Cost	Fair Value
Diversified/Conglomerate Services – 2.9%			
ImageWorks Display and Marketing Group, Inc. – Preferred Stock[C][J]	67,490	6,749	6,539
J.R. Hobbs Co. – Atlanta, LLC – Preferred Stock[C][J]	10,920	10,920	—
The Maids International, LLC – Preferred Stock[C][J]	6,640	6,640	7,777
		24,309	**14,316**
Electronics – 4.5%			
Nielsen-Kellerman Acquisition Corp.[K] – Preferred Stock[C][J]	22,169	**22,169**	**22,169**
Home and Office Furnishings, Housewares, and Durable Consumer Products –7.5%			
Old World Christmas, Inc. – Preferred Stock[C][J]	6,180	—	**36,721**
Leisure, Amusement, Motion Pictures, and Entertainment – 1.4%			
Pyrotek Special Effects, Inc.[Q] – Preferred Stock[C][J]	7,060	**7,060**	**7,060**
Mining, Steel, Iron and Non-Precious Metals – 3.6%			
UPB Acquisition, Inc. – Preferred Stock[C][J]	6,000	**6,000**	**17,336**
Telecommunications – 0.0%			
B+T Group Acquisition, Inc.[K] – Preferred Stock[C][J]	14,304	**4,722**	—
Total Preferred Equity		**$ 83,990**	**$ 97,602**
Common Equity/Equivalents – 1.0%			
Finance – 1.0%			
Gladstone Alternative Income Fund – Common Equity[C][P]	500,000	**$ 5,000**	**$ 5,000**
Telecommunications – 0.0%			
B+T Group Acquisition, Inc.[K] – Common Stock Warrants[C][J]	3.5 %	—	—
Total Common Equity/Equivalents		**$ 5,000**	**$ 5,000**
Total Affiliate Investments		**$ 359,461**	**$ 331,145**
CONTROL INVESTMENTS[N] – 0.1%			
Secured First Lien Debt –0.1%			
Diversified/Conglomerate Manufacturing – 0.1%			
Edge Adhesives Holdings, Inc[K] – Term Debt (SOFR+5.5%, 9.8% Cash, Due 8/2026)[G][J]	9,210	**$ 9,210**	**$ 504**
Total Secured First Lien Debt		**$ 9,210**	**$ 504**
Preferred Equity – 0.0%			
Diversified/Conglomerate Manufacturing – 0.0%			
Edge Adhesives Holdings, Inc[K] – Preferred Stock[C][J]	8,199	**$ 8,199**	**$** —
Total Preferred Equity		**$ 8,199**	**$** —
Total Control Investments		**$ 17,409**	**$ 504**
TOTAL INVESTMENTS – 218.8%		**$ 1,021,741**	**$ 1,072,230**

(A) Certain of the securities listed are issued by affiliate(s) of the indicated portfolio company. The majority of the securities listed, totaling $ 847.3 million at fair value, are pledged as collateral to our revolving line of credit, as described further in Note 5—*Borrowings* in the accompanying *Notes to Consolidated Financial Statements*. Additionally, under Section 55 of the Investment Company Act of 1940, as amended (the "1940 Act"), we may not acquire any non-qualifying assets unless, at the time such acquisition is made, qualifying assets represent at least 70% of our total assets.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
DECEMBER 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS)
(UNAUDITED)

(B) Unless indicated otherwise, all cash interest rates are indexed to 30 day Secured Overnight Financing Rate ("SOFR"), which was 4.3% as of December 31, 2024. If applicable, paid-in-kind interest rates are noted separately from the cash interest rate. Certain securities are subject to an interest rate floor. The cash interest rate is the greater of the floor or the reference rate plus a spread. Due dates represent the contractual maturity date.

(C) Security is non-income producing.

(D) Category percentages represent the fair value of each category and subcategory as a percentage of net assets as of December 31, 2024.

(E) Unless indicated otherwise, all of our investments are valued using Level 3 inputs within the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, "Fair Value Measurements and Disclosures" ("ASC 820") fair value hierarchy. Refer to Note 3—*Investments* in the accompanying *Notes to Consolidated Financial Statements* for additional information.

(F) Where applicable, aggregates all shares of a class of stock owned without regard to specific series owned within such class (some series of which may or may not be voting shares) or aggregates all warrants to purchase shares of a class of stock owned without regard to specific series of such class of stock such warrants allow us to purchase.

(G) Debt security is on non-accrual status.

(H) Represents the principal balance, presented in thousands, for debt investments and the number of shares/units held for equity investments. Warrants are represented as a percentage of ownership, as applicable.

(I) Fair value was based on an internal yield analysis or on estimates of value submitted by a third-party valuation firm. Refer to Note 3— *Investments* in the accompanying *Notes to Consolidated Financial Statements* for additional information.

(J) Fair value was based on the total enterprise value of the portfolio company, which is generally allocated to the portfolio company's securities in order of their relative priority in the capital structure. Refer to Note 3—*Investments* in the accompanying *Notes to Consolidated Financial Statements* for additional information.

(K) One or more of our affiliated funds, Gladstone Capital Corporation and Gladstone Alternative Income Fund, co-invested with us in this portfolio company pursuant to an exemptive order granted by the U.S. Securities and Exchange Commission.

(L) Non-Control/Non-Affiliate investments, as defined by the 1940 Act, are those that are neither Control nor Affiliate investments and in which we own less than 5.0% of the issued and outstanding voting securities.

(M) Affiliate investments, as defined by the 1940 Act, are those that are not Control investments and in which we own, with the power to vote, between and inclusive of 5.0% and 25.0% of the issued and outstanding voting securities.

(N) Control investments, as defined by the 1940 Act, are those where we have the power to exercise a controlling influence over the management or policies of the portfolio company, which may include owning, with the power to vote, more than 25.0% of the issued and outstanding voting securities.

(O) Debt security is subject to an interest rate ceiling.

(P) Fair value was based on net asset value provided by the fund as a practical expedient.

(Q) This portfolio company is headquartered in Ontario, Canada.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
MARCH 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS)

Company and Investment[A][B][D][E]	Principal/Shares/ Units[F][H]	Cost	Fair Value
NON-CONTROL/NON-AFFILIATE INVESTMENTS[L] – 126.3%			
Secured First Lien Debt –65.9%			
Buildings and Real Estate – 7.8%			
Dema/Mai Holdings, Inc. – Term Debt (SOFR+11.0%, 16.3% Cash, Due 7/2027)[J]	$ 38,250	**$ 38,250**	**$ 38,250**
Diversified/Conglomerate Manufacturing – 1.1%			
Phoenix Door Systems, Inc. – Line of Credit, $0 available (SOFR+7.0%, 12.3% Cash (0.3% Unused Fee), Due 9/2026)[J]	2,750	2,750	2,750
Phoenix Door Systems, Inc. – Term Debt (SOFR+11.0%, 16.3% Cash, Due 9/2026)[J]	3,200	3,200	2,817
		5,950	**5,567**
Diversified/Conglomerate Services – 16.8%			
Horizon Facilities Services, Inc. – Term Debt (SOFR+7.5%, 12.8% Cash, Due 6/2026)[J]	57,700	57,700	57,700
Mason West, LLC – Term Debt (SOFR+10.0%, 15.3% Cash, Due 7/2025)[J]	25,250	25,250	25,250
		82,950	**82,950**
Healthcare, Education, and Childcare – 4.1%			
Educators Resource, Inc. – Term Debt (SOFR+10.5%, 15.8% Cash, Due 3/2025)[J]	20,000	**20,000**	**20,000**
Home and Office Furnishings, Housewares, and Durable Consumer Products –7.5%			
Brunswick Bowling Products, Inc. – Term Debt (SOFR+10.0%, 15.3% Cash, Due 1/2026)[J]	17,700	17,700	17,700
Brunswick Bowling Products, Inc. – Term Debt (SOFR+10.0%, 15.3% Cash, Due 1/2026)[J]	6,850	6,850	6,850
Ginsey Home Solutions, Inc. – Term Debt (SOFR+10.0%, 15.3% Cash, Due 11/2025)[J]	12,200	12,200	12,200
		36,750	**36,750**
Hotels, Motels, Inns, and Gaming – 13.2%			
Nocturne Luxury Villas, Inc. – Line of Credit, $0 available (SOFR+8.0%, 13.3% Cash, Due 6/2025)[J]	4,000	4,000	4,000
Nocturne Luxury Villas, Inc. – Term Debt (SOFR+10.5%, 14.5% Cash, Due 6/2026)[J][P]	61,100	61,100	61,100
		65,100	**65,100**
Leisure, Amusement, Motion Pictures, and Entertainment – 5.7%			
Schylling, Inc. – Term Debt (SOFR+11.0%, 16.3% Cash, Due 5/2025)[J]	27,981	**27,981**	**27,981**
Oil and Gas – 7.1%			
The E3 Company, LLC – Line of Credit, $1,000 available (SOFR+5.5%, 10.8% Cash, Due 2/2025)[J]	1,000	1,000	1,000
The E3 Company, LLC – Term Debt (SOFR+9.0%, 14.3% Cash, Due 9/2028)[J]	33,750	33,750	33,750
		34,750	**34,750**
Printing and Publishing – 2.6%			
Home Concepts Acquisition, Inc. – Line of Credit, $1,000 available (SOFR+6.0%, 11.3% Cash, Due 11/2024)[J]	1,000	1,000	1,000
Home Concepts Acquisition, Inc. – Term Debt (SOFR+9.0%, 14.3% Cash, Due 5/2028)[J]	12,000	12,000	12,000
		13,000	**13,000**
Total Secured First Lien Debt		**$ 324,731**	**$ 324,348**
Secured Second Lien Debt –18.9%			
Aerospace and Defense – 5.2%			
Galaxy Technologies Holdings, Inc. – Term Debt (SOFR+4.1%, 9.4% Cash, Due 10/2026)[J]	$ 6,900	$ 6,900	$ 6,900
Galaxy Technologies Holdings, Inc. – Term Debt (SOFR+7.0%, 12.3% Cash, Due 10/2026)[J]	18,796	18,796	18,796
		25,696	**25,696**
Cargo Transport – 2.6%			
Diligent Delivery Systems – Term Debt (SOFR+9.0%, 14.3% Cash, Due 9/2024)[Q]	13,000	**13,000**	**13,000**
Machinery (Non-Agriculture, Non-Construction, and Non-Electronic) – 11.1%			
SFEG Holdings, Inc. – Term Debt (SOFR+7.0%, 12.5% Cash, Due 10/2028)[J]	54,644	**54,644**	**54,644**
Total Secured Second Lien Debt		**$ 93,340**	**$ 93,340**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
MARCH 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS)

Company and Investment[A][B][D][E]	Principal/Shares/ Units[F][H]	Cost	Fair Value
Preferred Equity – 33.0%			
Buildings and Real Estate – 4.5%			
Dema/Mai Holdings, Inc. – Preferred Stock[C][J]	21,000	**$ 21,000**	**$ 22,181**
Diversified/Conglomerate Services – 4.0%			
Horizon Facilities Services, Inc. – Preferred Stock[C][J]	10,080	—	—
Mason West, LLC – Preferred Stock[C][J]	11,206	11,206	19,759
		11,206	**19,759**
Healthcare, Education, and Childcare – 6.0%			
Educators Resource, Inc. – Preferred Stock[C][J]	8,560	**8,560**	**29,638**
Home and Office Furnishings, Housewares, and Durable Consumer Products –10.1%			
Brunswick Bowling Products, Inc. – Preferred Stock[C][J]	6,653	6,653	48,759
Ginsey Home Solutions, Inc. – Preferred Stock[C][J]	19,280	9,583	891
		16,236	**49,650**
Hotels, Motels, Inns, and Gaming – 2.5%			
Nocturne Luxury Villas, Inc. – Preferred Stock[C][J]	6,600	**6,600**	**12,266**
Leisure, Amusement, Motion Pictures, and Entertainment – 2.3%			
Schylling, Inc. – Preferred Stock[C][J]	4,000	**4,000**	**11,369**
Oil and Gas – 3.3%			
The E3 Company, LLC – Preferred Stock[C][J]	11,233	**11,233**	**16,421**
Printing and Publishing – 0.3%			
Home Concepts Acquisition, Inc. – Preferred Stock[C][J]	3,275	**3,275**	**1,238**
Total Preferred Equity		**$ 82,110**	**$ 162,522**
Common Equity/Equivalents – 8.5%			
Aerospace and Defense – 0.7%			
Galaxy Technologies Holdings, Inc. – Common Stock[C][J]	16,957	**$ 11,513**	**$ 3,368**
Cargo Transport – 0.1%			
Diligent Delivery Systems – Common Stock Warrants[C][Q]	8 %	**500**	**500**
Diversified/Conglomerate Manufacturing– 0.0%			
Phoenix Door Systems, Inc. – Common Stock[C][J]	4,221	**1,830**	—
Home and Office Furnishings, Housewares, and Durable Consumer Products –0.0%			
Ginsey Home Solutions, Inc. – Common Stock[C][J]	63,747	**8**	—
Machinery (Non-Agriculture, Non-Construction, and Non-Electronic) – 7.7%			
SFEG Holdings, Inc. – Common Stock[C][J]	18,721	**30,746**	**38,137**
Personal and Non-Durable Consumer Products (Manufacturing Only) –0.0%			
Funko Acquisition Holdings, LLC[K] – Common Units[C][O]	4,239	**21**	**18**
Total Common Equity/Equivalents		**$ 44,618**	**$ 42,023**
Total Non-Control/Non-Affiliate Investments		**$ 544,799**	**$ 622,233**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
MARCH 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS)

Company and Investment[A][B][D][E]	Principal/Shares/ Units[F][H]	Cost	Fair Value
AFFILIATE INVESTMENTS[M] – 59.9%			
Secured First Lien Debt –30.0%			
Diversified/Conglomerate Services – 15.7%			
ImageWorks Display and Marketing Group, Inc. – Term Debt (SOFR+11.0%, 16.3% Cash, Due 11/2025)[J]	$ 22,000	$ 22,000	$ 22,000
J.R. Hobbs Co. - Atlanta, LLC – Line of Credit, $0 available (SOFR+6.0%, 11.3% Cash, Due 6/2025)[G][J]	5,000	5,000	2,682
J.R. Hobbs Co. - Atlanta, LLC – Term Debt (SOFR+6.0%, 11.3% Cash, Due 6/2025)[G][J]	16,500	16,500	8,852
J.R. Hobbs Co. - Atlanta, LLC – Term Debt (SOFR+10.3%, 15.6% Cash, Due 6/2025)[G][J]	26,000	26,000	13,949
J.R. Hobbs Co. - Atlanta, LLC – Term Debt (SOFR+6.0%, 11.3% Cash, Due 6/2025)[G][J]	2,438	2,438	1,308
The Maids International, LLC – Term Debt (SOFR+10.5%, 15.8% Cash, Due 3/2025)[J]	28,560	28,560	28,560
		100,498	**77,351**
Home and Office Furnishings, Housewares, and Durable Consumer Products –8.7%			
Old World Christmas, Inc. – Term Debt (SOFR+9.5%, 14.8% Cash, Due 12/2025)[J]	43,000	**43,000**	**43,000**
Mining, Steel, Iron and Non-Precious Metals Total – 3.7%			
Utah Pacific Bridge & Steel, Ltd. – Term Debt (SOFR+10.0%, 15.3% Cash, Due 7/2026)[J]	18,250	**18,250**	**18,250**
Telecommunications – 1.9%			
B+T Group Acquisition, Inc.[K] – Line of Credit, $0 available (SOFR+2.0%, 7.3% Cash, Due 12/2026)[J]	3,080	3,080	3,080
B+T Group Acquisition, Inc.[K] – Line of Credit, $394 available (SOFR+2.0%, 7.3% Cash, Due 6/2025)[J]	656	656	656
B+T Group Acquisition, Inc.[K] – Term Debt (SOFR+2.0%, 7.3% Cash, Due 12/2026)[J]	14,000	14,000	5,266
		17,736	**9,002**
Total Secured First Lien Debt		**$ 179,484**	**$ 147,603**
Secured Second Lien Debt –9.2%			
Chemicals, Plastics, and Rubber – 4.1%			
PSI Molded Plastics, Inc. – Term Debt (SOFR+5.5%, 10.8% Cash, Due 1/2026)[J]	$ 26,618	**$ 26,618**	**$ 20,363**
Diversified/Conglomerate Services – 5.1%			
Nth Degree Investment Group, LLC – Term Debt (SOFR+8.5%, 13.8% Cash, Due 6/2029)[I]	25,000	**25,000**	**25,000**
Total Secured Second Lien Debt		**$ 51,618**	**$ 45,363**
Preferred Equity – 10.3%			
Chemicals, Plastics, and Rubber – 0.0%			
PSI Molded Plastics, Inc. – Preferred Stock[C][J]	158,598	**$ 19,730**	**$ —**
Diversified/Conglomerate Services – 1.6%			
ImageWorks Display and Marketing Group, Inc. – Preferred Stock[C][J]	67,490	6,749	2,607
J.R. Hobbs Co. – Atlanta, LLC – Preferred Stock[C][J]	10,920	10,920	—
The Maids International, LLC – Preferred Stock[C][J]	6,640	6,640	5,426
		24,309	**8,033**
Home and Office Furnishings, Housewares, and Durable Consumer Products –6.2%			
Old World Christmas, Inc. – Preferred Stock[C][J]	6,180	—	**30,638**
Mining, Steel, Iron and Non-Precious Metals – 2.5%			
Utah Pacific Bridge & Steel, Ltd. - Preferred Stock[C][J]	6,000	**6,000**	**12,287**
Telecommunications – 0.0%			
B+T Group Acquisition, Inc.[K] – Preferred Stock[C][J]	14,304	**4,722**	**—**
Total Preferred Equity		**$ 54,761**	**$ 50,958**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
MARCH 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS)

Company and Investment[A][B][D][E]	Principal/Shares/ Units[F][H]	Cost	Fair Value
Common Equity/Equivalents – 10.4%			
Diversified/Conglomerate Services – 10.4%			
Nth Degree Investment Group, LLC – Common Stock[C][J]	17,216,976	$ 6,219	$ 51,442
Telecommunications – 0.0%			
B+T Group Acquisition, Inc.[K] – Common Stock Warrants[C][J]	3.5 %	—	—
Total Common Equity/Equivalents		$ 6,219	$ 51,442
Total Affiliate Investments		$ 292,082	$ 295,366
CONTROL INVESTMENTS[N] – 0.6%			
Secured First Lien Debt –0.6%			
Diversified/Conglomerate Manufacturing – 0.6%			
Edge Adhesives Holdings, Inc.[K] – Term Debt (SOFR+5.5%, 10.8% Cash, Due 8/2024)[G][J]	$ 9,210	$ 9,210	$ 2,905
Total Secured First Lien Debt		$ 9,210	$ 2,905
Preferred Equity – 0.0%			
Diversified/Conglomerate Manufacturing – 0.0%			
Edge Adhesives Holdings, Inc.[K] – Preferred Stock[C][J]	8,199	$ 8,199	$ —
Total Preferred Equity		$ 8,199	$ —
Total Control Investments		$ 17,409	$ 2,905
TOTAL INVESTMENTS – 186.8%[R]		$ 854,290	$ 920,504

(A) Certain of the securities listed are issued by affiliate(s) of the indicated portfolio company. The majority of the securities listed, totaling $ 717.3 million at fair value, are pledged as collateral to our revolving line of credit, as described further in Note 5—*Borrowings* in the accompanying *Notes to Consolidated Financial Statements*. Additionally, under Section 55 of the 1940 Act, we may not acquire any non-qualifying assets unless, at the time such acquisition is made, qualifying assets represent at least 70% of our total assets. As of March 31, 2024, our investment in Funko Acquisition Holdings, LLC ("Funko") was considered a non-qualifying asset under Section 55 of the 1940 Act and represented less than 0.1% of total investments, at fair value.

(B) Unless indicated otherwise, all cash interest rates are indexed to 30-day SOFR, which was 5.3% as of March 31, 2024. If applicable, paid-in-kind interest rates are noted separately from the cash interest rate. Certain securities are subject to an interest rate floor. The cash interest rate is the greater of the floor or reference rate plus a spread. Due dates represent the contractual maturity date.

(C) Security is non-income producing.

(D) Category percentages represent the fair value of each category and subcategory as a percentage of net assets as of March 31, 2024.

(E) Unless indicated otherwise, all of our investments are valued using Level 3 inputs within the FASB ASC 820 fair value hierarchy. Refer to Note 3— *Investments* in the accompanying *Notes to Consolidated Financial Statements* for additional information.

(F) Where applicable, aggregates all shares of a class of stock owned without regard to specific series owned within such class (some series of which may or may not be voting shares) or aggregates all warrants to purchase shares of a class of stock owned without regard to specific series of such class of stock such warrants allow us to purchase.

(G) Debt security is on non-accrual status.

(H) Represents the principal balance, presented in thousands, for debt investments and the number of shares/units held for equity investments. Warrants are represented as a percentage of ownership, as applicable.

(I) Fair value was based on internal yield analysis or on estimates of value submitted by a third-party valuation firm. Refer to Note 3— *Investments* in the accompanying *Notes to Consolidated Financial Statements* for additional information.

(J) Fair value was based on the total enterprise value of the portfolio company, which is generally allocated to the portfolio company's securities in order of their relative priority in the capital structure. Refer to Note 3—*Investments* in the accompanying *Notes to Consolidated Financial Statements* for additional information.

(K) One of our affiliated funds, Gladstone Capital Corporation, co-invested with us in this portfolio company pursuant to an exemptive order granted by the U.S. Securities and Exchange Commission.

(L) Non-Control/Non-Affiliate investments, as defined by the 1940 Act, are those that are neither Control nor Affiliate investments and in which we own less than 5.0% of the issued and outstanding voting securities.

(M) Affiliate investments, as defined by the 1940 Act, are those that are not Control investments and in which we own, with the power to vote, between and inclusive of 5.0% and 25.0% of the issued and outstanding voting securities.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
MARCH 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS)

(N) Control investments, as defined by the 1940 Act, are those where we have the power to exercise a controlling influence over the management or policies of the portfolio company, which may include owning, with the power to vote, more than 25.0% of the issued and outstanding voting securities.

(O) Our investment in Funko was valued using Level 2 inputs within the ASC 820 fair value hierarchy. Our common units in Funko are convertible into class A common stock in Funko, Inc. upon meeting certain requirements. Fair value was based on the closing market price of shares of Funko, Inc. as of the reporting date, less a discount for lack of marketability. Funko, Inc. is traded on the Nasdaq Global Select Market under the trading symbol "FNKO." Refer to Note 3—*Investments* in the accompanying *Notes to Consolidated Financial Statements* for additional information.

(P) Debt security is subject to an interest rate ceiling.

(Q) Fair value was based on the expected exit or payoff amount, where such event has occurred or is expected to occur imminently.

(R) Cumulative gross unrealized appreciation for federal income tax purposes is $180.5 million; cumulative gross unrealized depreciation for federal income tax purposes is $115.8 million. Cumulative net unrealized appreciation is $64.7 million, based on a tax cost of $855.8 million.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

GLADSTONE INVESTMENT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024
(DOLLAR AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA AND AS OTHERWISE INDICATED)
(UNAUDITED)

NOTE 1. ORGANIZATION

Gladstone Investment Corporation ("Gladstone Investment") was incorporated under the General Corporation Law of the State of Delaware on February 18, 2005, and completed an initial public offering on June 22, 2005. The terms "the Company," "we," "our" and "us" all refer to Gladstone Investment and its consolidated subsidiaries. We are an externally managed, closed-end, non-diversified management investment company that has elected to be treated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"), and are applying the guidance of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946, *"Financial Services-Investment Companies"* ("ASC 946"). In addition, we have elected to be treated for U.S. federal income tax purposes as a regulated investment company ("RIC") under the Internal Revenue Code of 1986, as amended (the "Code"). We were established for the purpose of investing in debt and equity securities of established private businesses in the United States ("U.S."). Debt investments primarily take the form of two types of loans: secured first lien loans and secured second lien loans. Equity investments primarily take the form of preferred or common equity (or warrants or options to acquire the foregoing), often in connection with buyouts and other recapitalizations. Our investment objectives are to: (i) achieve and grow current income by investing in debt securities of established businesses that we believe will provide stable earnings and cash flow to pay expenses, make principal and interest payments on our outstanding indebtedness and make distributions to stockholders that grow over time, and (ii) provide our stockholders with long-term capital appreciation in the value of our assets by investing in equity securities of established businesses, generally in combination with the aforementioned debt securities, that we believe can grow over time to permit us to sell our equity investments for capital gains. We intend that our investment portfolio over time will consist of approximately 75.0% in debt investments and 25.0% in equity investments, at cost. As of December 31, 2024, our investment portfolio was comprised of 76.3% in debt investments and 23.7% in equity investments, at cost.

Gladstone Business Investment, LLC ("Business Investment"), a wholly-owned subsidiary of ours, was established on August 11, 2006 for the sole purpose of holding certain investments pledged as collateral under our line of credit. The financial statements of Business Investment are consolidated with those of Gladstone Investment.

We are externally managed by Gladstone Management Corporation (the "Adviser"), an affiliate of ours and a U.S. Securities and Exchange Commission ("SEC") registered investment adviser, pursuant to an investment advisory and management agreement (the "Advisory Agreement"). Administrative services are provided by Gladstone Administration, LLC (the "Administrator"), an affiliate of ours and the Adviser, pursuant to an administration agreement (the "Administration Agreement"). Refer to Note 4 — *Related Party Transactions* for more information regarding these arrangements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unaudited Interim Financial Statements and Basis of Presentation

We prepare our interim financial statements in accordance with accounting principles generally accepted in the U.S. ("GAAP") for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Articles 6, 10 and 12 of SEC Regulation S-X. Accordingly, we have not included in this quarterly report all of the information and notes required by GAAP for annual financial statements. The accompanying *Consolidated Financial Statements* include our accounts and those of our wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation. In accordance with Article 6 of Regulation S-X, we do not consolidate portfolio company investments. Under the investment company rules and regulations pursuant to the American Institute of Certified Public Accountants Audit and Accounting Guide for Investment Companies, codified in ASC 946, we are precluded from consolidating any entity other than another investment company, except that ASC 946 provides for the consolidation of a controlled operating company that provides substantially all of its services to the investment company or its consolidated subsidiaries. In our opinion, all adjustments, consisting solely of normal recurring accruals, necessary for the fair statement of financial statements for the interim periods have been included. The results of operations for the three and nine months ended December 31, 2024 are not necessarily indicative of results that ultimately may be achieved for the fiscal year ending March 31, 2025 or any future interim period. The interim financial statements and notes thereto should be read in

conjunction with the financial statements and notes thereto included in our annual report on Form 10-K for the fiscal year ended March 31, 2024, as filed with the SEC on May 8, 2024.

Use of Estimates

Preparing financial statements requires management to make estimates and assumptions that affect the amounts reported in our accompanying *Consolidated Financial Statements* and these *Notes to Consolidated Financial Statements.* Actual results may differ from those estimates.

Investment Valuation Policy

Accounting Recognition

We record our investments at fair value in accordance with the FASB ASC Topic 820, "*Fair Value Measurements and Disclosures"* ("ASC 820") and the 1940 Act. Investment transactions are recorded on the trade date. Realized gains or losses are generally measured by the difference between the net proceeds from the repayment or sale and the cost basis of the investment, without regard to unrealized appreciation or depreciation previously recognized, and include investments charged off during the period, net of recoveries. Unrealized appreciation or depreciation primarily reflects the change in investment fair values, including the reversal of previously recorded unrealized appreciation or depreciation when gains or losses are realized.

Board Responsibility

Our board of directors (the "Board of Directors") has approved investment valuation policies and procedures pursuant to Rule 2a-5 under the 1940 Act (the "Policy") and, in July 2022, designated the Adviser to serve as the Board of Directors' valuation designee ("Valuation Designee") under the 1940 Act.

In accordance with the 1940 Act, our Board of Directors has the ultimate responsibility for reviewing the good faith fair value determination of our investments for which market quotations are not readily available based on our Policy and for overseeing the Valuation Designee. Such review and oversight includes receiving written fair value determinations and supporting materials provided by the Valuation Designee, in coordination with the Administrator and with the oversight by the Company's chief valuation officer (collectively, the "Valuation Team"). The Valuation Committee of our Board of Directors (comprised entirely of independent directors) meets to review the valuation determinations and supporting materials, discusses the information provided by the Valuation Team, determines whether the Valuation Team has followed the Policy, and reviews other facts and circumstances, including current valuation risks, conflicts of interest, material valuation matters, appropriateness of valuation methodologies, back-testing results, price challenges/overrides, and ongoing monitoring and oversight of pricing services. After the Valuation Committee concludes its meeting, it and the chief valuation officer, representing the Valuation Designee, present the Valuation Committee's findings on the Valuation Designee's determinations to the entire Board of Directors so that the full Board of Directors may review the Valuation Designee's determined fair values of such investments in accordance with the Policy.

There is no single standard for determining fair value (especially for privately-held businesses), as fair value depends upon the specific facts and circumstances of each individual investment. In determining the fair value of our investments, the Valuation Team, led by the chief valuation officer, uses the Policy, and each quarter the Valuation Committee and Board of Directors review the Policy to determine if changes thereto are advisable and whether the Valuation Team has applied the Policy consistently.

Use of Third-Party Valuation Firms

The Valuation Team engages third-party valuation firms to provide independent assessments of fair value of certain of our investments.

A third-party valuation firm generally provides estimates of fair value on our debt investments. The Valuation Team generally assigns the third-party valuation firm's estimates of fair value to our debt investments where we do not have the ability to effectuate a sale of the applicable portfolio company. The Valuation Team corroborates the third-party valuation firm's estimates of fair value using one or more of the valuation techniques discussed below. The Valuation Team's estimate of value on a specific debt investment may significantly differ from the third-party valuation firm's. When this occurs, our Valuation Committee and Board of Directors review whether the Valuation Team has followed the Policy and

the Valuation Committee reviews whether the Valuation Designee's determined fair value is reasonable in light of the Policy and other relevant facts and circumstances.

We may engage other independent valuation firms to provide earnings multiple ranges, as well as other information, and evaluate such information for incorporation into the total enterprise value ("TEV") of certain of our investments. Generally, at least once per year, we engage an independent valuation firm to value or review the valuation of each of our significant equity investments, which includes providing the information noted above. The Valuation Team evaluates such information for incorporation into our TEV, including review of all inputs provided by the independent valuation firm. The Valuation Team then presents a determination to our Valuation Committee as to the fair value. Our Valuation Committee reviews the determined fair value and whether it is reasonable in light of the Policy and other relevant facts and circumstances.

Valuation Techniques

In accordance with ASC 820, the Valuation Team uses the following techniques when valuing our investment portfolio:

- *Total Enterprise Value* — In determining the fair value using a TEV, the Valuation Team first calculates the TEV of the portfolio company by incorporating some or all of the following factors: the portfolio company's ability to make payments and other specific portfolio company attributes; the earnings of the portfolio company (the trailing or projected twelve month revenue or earnings before interest, taxes, depreciation and amortization ("EBITDA")); EBITDA multiples obtained from our indexing methodology whereby the original transaction EBITDA multiple at the time of our closing is indexed to a general subset of comparable disclosed transactions and EBITDA multiples from recent sales to third parties of similar securities in similar industries; a comparison to publicly traded securities in similar industries; and other pertinent factors. The Valuation Team generally reviews industry statistics and may use outside experts when gathering this information. Once the TEV is determined for a portfolio company, the Valuation Team generally allocates the TEV to the portfolio company's securities based on the facts and circumstances of the securities, which typically results in the allocation of fair value to securities based on the order of their relative priority in the capital structure. Generally, the Valuation Team uses TEV to value our equity investments and, in the circumstances where we have the ability to effectuate a sale of a portfolio company, our debt investments. When there is equity value or sufficient TEV to cover the principal balance of our debt securities, the fair value of our senior secured debt generally equals or approximates cost.

  TEV is primarily calculated using EBITDA and EBITDA multiples; however, TEV may also be calculated using revenue and revenue multiples or a discounted cash flow ("DCF") analysis whereby future expected cash flows of the portfolio company are discounted to determine a net present value using estimated risk-adjusted discount rates, which incorporate adjustments for nonperformance and liquidity risks.

- *Yield Analysis* — The Valuation Team generally determines the fair value of our debt investments for which we do not have the ability to effectuate a sale of the applicable portfolio company using the yield analysis, which includes a DCF calculation and assumptions that the Valuation Team believes market participants would use, including: estimated remaining life, current market yield, current leverage, and interest rate spreads. This technique develops a modified discount rate that incorporates risk premiums including, among other things, increased probability of default, increased loss upon default, and increased liquidity risk. Generally, the Valuation Team uses the yield analysis to corroborate both estimates of value provided by a third-party valuation firm and market quotes.

- *Market Quotes* — For our investments for which a limited market exists, we generally base fair value on readily available and reliable market quotations, which are corroborated by the Valuation Team (generally by using the yield analysis described above). In addition, the Valuation Team assesses trading activity for similar investments and evaluates variances in quotations and other market insights to determine if any available quoted prices are reliable. Typically, the Valuation Team uses the lower indicative bid price in the bid-to-ask price range obtained from the respective originating syndication agent's trading desk on or near the valuation date. The Valuation Team may take further steps to consider additional information to validate that price in accordance with the Policy. For securities that are publicly traded, we generally base fair value on the closing market price of the securities we hold as of the reporting date. For restricted securities that are publicly traded, we generally base fair value on the closing market price of the securities we hold as of the reporting date less a discount for the restriction, which includes consideration of the nature and term to expiration of the restriction and the lack of marketability of the security.

- *Investments in Funds* — For equity investments in other funds for which we cannot effectuate a sale of the fund, the Valuation Team generally determines the fair value of our invested capital at the net asset value ("NAV") provided by the fund. Any invested capital that is not yet reflected in the NAV provided by the fund is valued at par value. The Valuation Team may also determine fair value of our investments in other investment funds based on the capital accounts of the underlying entity.

In addition to the valuation techniques listed above, the Valuation Team may also consider other factors when determining the fair value of our investments, including: the nature and realizable value of the collateral, including external parties' guaranties, any relevant offers or letters of intent to acquire the portfolio company, timing of expected loan repayments, and the markets in which the portfolio company operates.

Fair value measurements of our investments may involve subjective judgments and estimates and, due to the uncertainty inherent in valuing these securities, the determinations of fair value may fluctuate from period to period and may differ materially from the values that could be obtained if a ready market for these securities existed. Our NAV could be materially affected if the determinations regarding the fair value of our investments are materially different from the values that we ultimately realize upon our disposal of such securities. Additionally, changes in the market environment and other events that may occur over the life of the investment may cause the gains or losses ultimately realized on these investments to be different than the valuations currently assigned. Further, such investments are generally subject to legal and other restrictions on resale or otherwise are less liquid than publicly traded securities. If we were required to liquidate a portfolio investment in a forced or liquidation sale, we could realize significantly less than the value at which it is recorded.

Refer to Note 3 — *Investments* for additional information regarding fair value measurements and our application of ASC 820.

Revenue Recognition

Interest Income Recognition

Interest income, adjusted for amortization of premiums, amendment fees and acquisition costs and the accretion of discounts, is recorded on the accrual basis to the extent that such amounts are expected to be collected. Generally, when a loan becomes 90 days or more past due, or if our qualitative assessment indicates that the debtor is unable to service its debt or other obligations, we will place the loan on non-accrual status and cease recognizing interest income on that loan until the borrower has demonstrated the ability and intent to pay contractual amounts due. However, we remain contractually entitled to this interest. Interest payments received on non-accrual loans may be recognized as income or applied to the cost basis, depending upon management's judgment. Generally, non-accrual loans are restored to accrual status when past-due principal and interest are paid and, in management's judgment, are likely to remain current, or, due to a restructuring, the interest income is deemed to be collectible. As of December 31, 2024, our loans to B+T Group Acquisition, Inc., Diligent Delivery Systems, Edge Adhesives Holdings, Inc. ("Edge"), and J.R. Hobbs Co. – Atlanta, LLC ("J.R. Hobbs") were on non-accrual status, with an aggregate debt cost basis of $90.0 million, or 11.5% of the cost basis of all debt investments in our portfolio, and an aggregate fair value of $49.6 million, or 7.0% of the fair value of all debt investments in our portfolio. As of March 31, 2024, our loans to Edge and J.R. Hobbs were on non-accrual status, with an aggregate debt cost basis of $59.1 million, or 9.0% of the cost basis of all debt investments in our portfolio, and an aggregate fair value of $29.7 million, or 4.8% of the fair value of all debt investments in our portfolio.

Paid-in-kind ("PIK") interest, computed at the contractual rate specified in the loan agreement, is added to the principal balance of the loan and recorded as interest income. Thus, the actual collection of PIK income may be deferred until the time of debt principal repayment. As of December 31, 2024 and March 31, 2024, we did not have any loans with a PIK interest component.

Success Fee Income Recognition

We record success fees as income when earned, which often occurs upon receipt of cash. Success fees are generally contractually due upon a change of control in a portfolio company, typically resulting from an exit or sale, and are non-recurring.

Dividend Income Recognition

We accrue dividend income on preferred and common equity securities to the extent that such amounts are expected to be collected and if we have the option to collect such amounts in cash or other consideration.

Related Party Fees

We are party to the Advisory Agreement with the Adviser, which is indirectly owned and controlled by our chairman and chief executive officer. In accordance with the Advisory Agreement, we pay the Adviser fees as compensation for its services, consisting of a base management fee and an incentive fee. Additionally, we pay the Adviser a loan servicing fee as compensation for its services as servicer under the terms of the Fifth Amended and Restated Credit Agreement dated April 30, 2013, as amended from time to time (the "Credit Facility").

We are also party to the Administration Agreement with the Administrator, which is indirectly owned and controlled by our chairman and chief executive officer, whereby we pay separately for administrative services.

Refer to Note 4 — *Related Party Transactions* for additional information regarding these related party fees and agreements.

NOTE 3. INVESTMENTS

Fair Value

In accordance with ASC 820, the fair value of our investments is determined to be the price that would be received for an investment in a current sale, which assumes an orderly transaction between willing market participants on the measurement date. This fair value definition focuses on exit price in the principal, or most advantageous, market and prioritizes, within a measurement of fair value, the use of market-based inputs over entity-specific inputs. ASC 820 also establishes the following three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of a financial instrument as of the measurement date.

- *Level 1* — inputs to the valuation methodology are quoted prices (unadjusted) for identical financial instruments in active markets;
- *Level 2* — inputs to the valuation methodology include quoted prices for similar financial instruments in active or inactive markets, and inputs that are observable for the financial instrument, either directly or indirectly, for substantially the full term of the financial instrument. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists, or instances where prices vary substantially over time or among brokered market makers; and
- *Level 3* — inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs are those inputs that reflect assumptions that market participants would use when pricing the financial instrument and can include the Valuation Team’s assumptions based upon the best available information.

When a determination is made to classify our investments within Level 3 of the valuation hierarchy, such determination is based upon the significance of the unobservable factors to the overall fair value measurement. However, Level 3 financial instruments typically include, in addition to the unobservable, or Level 3, inputs, observable inputs (or components that are actively quoted and can be validated to external sources). The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement.

As of December 31, 2024, all of our investments were valued using Level 3 inputs within the ASC 820 fair value hierarchy, except for our investment in Gladstone Alternative Income Fund ("Gladstone Alternative"), which was valued using NAV as a practical expedient. As of March 31, 2024, all of our investments were valued using Level 3 inputs within the ASC 820 fair value hierarchy, except for our investment in Funko, which was valued using Level 2 inputs.

We transfer investments in and out of Level 1, 2 and 3 of the valuation hierarchy as of the beginning balance sheet date, based on changes in the use of observable and unobservable inputs utilized to perform the valuation for the period. There were no transfers in or out of Level 1, 2 and 3 during the three and nine months ended December 31, 2024 and 2023, respectively.

As of December 31, 2024 and March 31, 2024, our investments, by security type, at fair value were categorized as follows within the ASC 820 fair value hierarchy:

		Fair Value Measurements		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of December 31, 2024:				
Secured first lien debt	$ 599,911	$ —	$ —	$ 599,911
Secured second lien debt	108,743	—	—	108,743
Preferred equity	308,226	—	—	308,226
Common equity/equivalents [(A)]	50,350	—	—	50,350
Total Investments as of December 31, 2024	**$ 1,067,230**	**$ —**	**$ —**	**$ 1,067,230**

		Fair Value Measurements		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of March 31, 2024:				
Secured first lien debt	$ 474,856	$ —	$ —	$ 474,856
Secured second lien debt	138,703	—	—	138,703
Preferred equity	213,480	—	—	213,480
Common equity/equivalents	93,465	—	18 [(B)]	93,447
Total Investments as of March 31, 2024	$ 920,504	$ —	$ 18	$ 920,486

(A) Excludes our investment in Gladstone Alternative with a fair value of $5.0 million as of December 31, 2024. Gladstone Alternative was valued using NAV as a practical expedient.

(B) Fair value was determined based on the closing market price of shares of Funko, Inc. (our units in Funko could be converted into common shares of Funko, Inc.) at the reporting date less a discount for lack of marketability, as our investment was subject to certain restrictions.

The following table presents our investments, valued using Level 3 inputs within the ASC 820 fair value hierarchy, and carried at fair value as of December 31, 2024 and March 31, 2024, by caption on our accompanying *Consolidated Statements of Assets and Liabilities,* and by security type:

	Total Recurring Fair Value Measurements Reported in *Consolidated Statements of Assets and Liabilities* Valued Using Level 3 Inputs	
	December 31, 2024	**March 31, 2024**
Non-Control/Non-Affiliate Investments		
Secured first lien debt	**$ 386,753**	$ 324,348
Secured second lien debt	**92,854**	93,340
Preferred equity	**210,624**	162,522
Common equity/equivalents[(A)]	**50,350**	42,005
Total Non-Control/Non-Affiliate Investments	**740,581**	622,215
Affiliate Investments		
Secured first lien debt	**212,654**	147,603
Secured second lien debt	**15,889**	45,363
Preferred equity	**97,602**	50,958
Common equity/equivalents[(B)]	**—**	51,442
Total Affiliate Investments	**326,145**	295,366
Control Investments		
Secured first lien debt	**504**	2,905
Secured second lien debt	**—**	—
Preferred equity	**—**	—
Common equity/equivalents	**—**	—
Total Control Investments	**504**	2,905
Total investments at fair value using Level 3 inputs	**$ 1,067,230**	$ 920,486

(A) Excludes our investment in Funko as of March 31, 2024 with a fair value of $18 thousand, which was valued using Level 2 inputs.

(B) Excludes our investment in Gladstone Alternative as of December 31, 2024 with a fair value of $5.0 million, which was valued using NAV as a practical expedient.

In accordance with ASC 820, the following table provides quantitative information about our investments valued using Level 3 fair value measurements as of December 31, 2024 and March 31, 2024. The table below is not intended to be all-inclusive, but rather provides information on the significant Level 3 inputs as they relate to our fair value measurements. The weighted-average calculations in the table below are based on the principal balances for all debt-related calculations and on the cost basis for all equity-related calculations for the particular input.

	Quantitative Information about Level 3 Fair Value Measurements					
	Fair Value as of		Valuation Technique/ Methodology	Unobservable Input	Range / Weighted-Average as of	
	December 31, 2024	March 31, 2024			December 31, 2024	March 31, 2024
Secured first lien debt	**$ 599,911**	$ 474,856	TEV	EBITDA multiple	**2.8x – 11.8x / 6.8x**	4.2x – 8.8x / 6.4x
				EBITDA	**$969 – $26,000 / $12,328**	$1,091 – $23,547 / $10,509
				Revenue multiple	**0.2x – 0.6x / 0.4x**	0.3x – 0.6x / 0.4x
				Revenue	**$6,141 – $100,934 / $70,883**	$31,586 – $93,916 / $77,580
Secured second lien debt	**96,229**	113,703	TEV	EBITDA multiple	**5.7x – 7.0x / 6.6x**	5.1x – 15.0x / 7.0x
				EBITDA	**$4,489 – $23,258 / $14,721**	$5,648 – $23,003 / $14,192
	12,514	25,000	Yield Analysis	Discount Rate	**19.7% – 19.7% / 19.7%**	13.8% – 13.8% / 13.8%
Preferred equity	**308,226**	213,480	TEV	EBITDA multiple	**2.8x – 11.8x / 6.0x**	4.2x – 8.8x / 6.1x
				EBITDA	**$1,292 – $26,000 / $11,696**	$1,091 – $23,547 / $9,502
				Revenue multiple	**0.2x – 0.6x / 0.3x**	0.3x – 0.6x / 0.4x
				Revenue	**$6,141 – $100,934 / $52,338**	$31,586 – $93,916 / $75,099
Common equity/ equivalents[A][B]	**50,350**	93,447	TEV	EBITDA multiple	**5.5x – 8.1x / 6.6x**	5.0x – 15.0x / 6.4x
				EBITDA	**$969 – $23,258 / $17,987**	$1,154 – $63,269 / $23,615
Total	**$ 1,067,230**	$ 920,486				

(A) Fair value as of December 31, 2024 excludes our investment in Gladstone Alternative with a fair value of $5.0 million, which was valued using NAV as a practical expedient.

(B) Fair value as of March 31, 2024 excludes our investment in Funko with a fair value of $18 thousand, which was valued using Level 2 inputs.

Fair value measurements can be sensitive to changes in one or more of the valuation inputs. Changes in discount rates, EBITDA or EBITDA multiples (or revenue or revenue multiples), each in isolation, may change the fair value of certain of our investments. Generally, an increase/(decrease) in market yields, discount rates or a (decrease)/increase in EBITDA or EBITDA multiples (or revenue or revenue multiples) may result in a (decrease)/increase in the fair value of certain of our investments.

Changes in Level 3 Fair Value Measurements of Investments

The following tables provide our portfolio's changes in fair value, broken out by security type, during the three and nine months ended December 31, 2024 and 2023 for all investments for which the Adviser determines fair value using unobservable (Level 3) inputs.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

	Secured First Lien Debt	Secured Second Lien Debt	Preferred Equity	Common Equity/ Equivalents	Total
Three Months ended December 31, 2024:					
Fair value as of September 30, 2024	**$ 469,480**	**$ 111,344**	**$ 228,528**	**$ 43,955**	**$ 853,307**
Total gain (loss):					
Net realized gain (loss)[A]	—	—	—	—	—
Net unrealized appreciation (depreciation)[B]	454	(2,601)	33,081	6,395	37,329
Reversal of previously recorded (appreciation) depreciation upon realization[B]	—	—	—	—	—
New investments, repayments and settlements[C]:					
Issuances / originations	135,477	—	46,617	—	182,094
Settlements / repayments	(5,500)	—	—	—	(5,500)
Sales	—	—	—	—	—
Transfers	—	—	—	—	—
Fair value as of December 31, 2024	**$ 599,911**	**$ 108,743**	**$ 308,226**	**$ 50,350**	**$ 1,067,230**

	Secured First Lien Debt	Secured Second Lien Debt	Preferred Equity	Common Equity/ Equivalents	Total
Nine Months Ended December 31, 2024					
Fair value as of March 31, 2024	**$ 474,856**	**$ 138,703**	**$ 213,480**	**$ 93,447**	**$ 920,486**
Total gain (loss):					
Net realized gain (loss)[A]	—	—	—	42,284	42,284
Net unrealized appreciation (depreciation)[B]	(22,020)	(4,960)	48,129	1,150	22,299
Reversal of previously recorded (appreciation) depreciation upon realization[B]	—	—	—	(38,028)	(38,028)
New investments, repayments and settlements[C]:					
Issuances / originations	155,575	—	46,617	—	202,192
Settlements / repayments	(8,500)	(25,000)	—	—	(33,500)
Sales	—	—	—	(48,503)	(48,503)
Transfers	—	—	—	—	—
Fair value as of December 31, 2024	**$ 599,911**	**$ 108,743**	**$ 308,226**	**$ 50,350**	**$ 1,067,230**

	Secured First Lien Debt	Secured Second Lien Debt	Preferred Equity	Common Equity/ Equivalents	Total
Three Months ended December 31, 2023:					
Fair value as of September 30, 2023	**$ 508,504**	**$ 102,747**	**$ 267,596**	**$ 36,767**	**$ 915,614**
Total gain (loss):					
Net realized gain (loss)[A]	—	—	43,459	—	43,459
Net unrealized appreciation (depreciation)[B]	(7,040)	(4,267)	4,911	3,428	(2,968)
Reversal of previously recorded (appreciation) depreciation upon realization[B]	(1,338)	—	(42,228)	—	(43,566)
New investments, repayments and settlements[C]:					
Issuances / originations	3,500	39,000	—	25,700	68,200
Settlements / repayments	(27,500)	—	—	—	(27,500)
Sales	—	—	(50,453)	—	(50,453)
Transfers[E]	—	—	(8,621)	8,621	—
Fair value as of December 31, 2023	**$ 476,126**	**$ 137,480**	**$ 214,664**	**$ 74,516**	**$ 902,786**

	Secured First Lien Debt	Secured Second Lien Debt	Preferred Equity	Common Equity/ Equivalents	Total
Nine Months Ended December 31, 2023:					
Fair value as of March 31, 2023	**$ 437,517**	**$ 75,734**	**$ 222,585**	**$ 17,680**	**$ 753,516**
Total gain (loss):					
Net realized gain (loss)[A]	—	—	43,732	882	44,614
Net unrealized appreciation (depreciation)[B]	(6,153)	(2,254)	35,234	18,228	45,055
Reversal of previously recorded (appreciation) depreciation upon realization[B]	(1,338)	—	(42,228)	(93)	(43,659)
New investments, repayments and settlements[C]:					
Issuances / originations	73,600	64,000	14,688	30,700	182,988
Settlements / repayments	(27,500)	—	—	—	(27,500)
Sales[D]	—	—	(50,726)	(1,502)	(52,228)
Transfers[E]	—	—	(8,621)	8,621	—
Fair value as of December 31, 2023	**$ 476,126**	**$ 137,480**	**$ 214,664**	**$ 74,516**	**$ 902,786**

[A] Included in net realized gain (loss) on investments on our accompanying *Consolidated Statements of Operations* for the respective three and nine months ended December 31, 2024 and 2023.

[B] Included in net unrealized appreciation (depreciation) of investments on our accompanying *Consolidated Statements of Operations* for the respective three and nine months ended December 31, 2024 and 2023.

[C] Includes increases in the cost basis of investments resulting from new portfolio investments, the amortization of discounts and other non-cash disbursements to portfolio companies, as well as decreases in the cost basis of investments resulting from principal repayments or sales, the amortization of premiums and acquisition costs, and other cost-basis adjustments.

[D] The nine months ended December 31, 2023 includes $0.3 million of proceeds from the recapitalization of Old World Christmas, Inc. ("Old World").

[E] For the three and nine months ended December 31, 2023, transfers represent preferred equity of SFEG Holdings, Inc. ("SFEG") with a total cost basis and fair value of $4.8 million and $8.6 million, respectively, which was converted to common equity in October 2023.

Investment Activity

During the nine months ended December 31, 2024, the following significant transactions occurred:

- In May 2024, our remaining shares in Funko were sold representing an exit of our investment in Funko, and resulting in a return of our equity cost basis of $21 thousand and a realized gain of $2 thousand.
- In July 2024, we invested an additional $18.5 million through secured first lien debt in Nocturne Luxury Villas, Inc. ("Nocturne") to fund an add-on acquisition.
- In September 2024, we exited our investment in Nth Degree Investment Group, LLC, which resulted in success fee income of $0.1 million, a realized gain on our preferred equity of $42.3 million and the repayment of our debt investment of $25.0 million.
- In November 2024, we invested $27.2 million in a new portfolio company, Pyrotek Special Effects, Inc. ("Pyrotek"), in the form of $20.1 million of secured first lien debt and $7.1 million of preferred equity. Pyrotek, headquartered in Ontario, Canada, is a leading provider of special effects services and solutions for the live entertainment industry.
- In December 2024, we invested $5.0 million in Gladstone Alternative, one of our affiliated funds, through common equity. Gladstone Alternative is a registered, non-diversified, closed-end management investment company that operates as an interval fund.
- In December 2024, we invested $71.3 million in a new portfolio company, Nielsen-Kellerman, Inc. ("Nielsen-Kellerman"), in the form of $49.1 million of secured first lien debt and $22.2 million of preferred equity. Nielsen-Kellerman, headquartered in Boothwyn, Pennsylvania, designs, manufactures, and distributes a wide range of rugged, waterproof environmental measurement and sports performance instruments.
- In December 2024, we invested $78.7 million in a new portfolio company, Ricardo Defense, Inc. ("Ricardo"), in the form of $61.3 million of secured first lien debt and $17.4 million of preferred equity. Ricardo, headquartered in Troy, Michigan, with operations in California, Texas and Alabama and overseas, develops engineering and product solutions for U.S. Army vehicle and logistics programs.

Investment Concentrations

As of December 31, 2024, our investment portfolio consisted of investments in 26 portfolio companies located in 20 states or countries across 17 different industries with an aggregate fair value of $1.1 billion. Our investments in Nocturne, SFEG, Ricardo, Old World and Brunswick Bowling Products, Inc. represented our five largest portfolio investments at fair value and collectively comprised $443.5 million, or 41.4%, of our total investment portfolio at fair value as of December 31, 2024.

The following table summarizes our investments by security type as of December 31, 2024 and March 31, 2024:

	December 31, 2024				**March 31, 2024**			
	Cost		**Fair Value**		**Cost**		**Fair Value**	
Secured first lien debt	**$ 660,499**	**64.6 %**	**$ 599,911**	**55.9 %**	$ 513,425	60.1 %	$ 474,856	51.6 %
Secured second lien debt	**119,958**	**11.7 %**	**108,743**	**10.1 %**	144,958	16.9 %	138,703	15.0 %
Total debt	**780,457**	**76.3 %**	**708,654**	**66.0 %**	658,383	77.0 %	613,559	66.6 %
Preferred equity	**191,687**	**18.8 %**	**308,226**	**28.8 %**	145,070	17.0 %	213,480	23.2 %
Common equity/equivalents	**49,597**	**4.9 %**	**55,350**	**5.2 %**	50,837	6.0 %	93,465	10.2 %
Total equity/equivalents	**241,284**	**23.7 %**	**363,576**	**34.0 %**	195,907	23.0 %	306,945	33.4 %
Total investments	**$ 1,021,741**	**100.0 %**	**$ 1,072,230**	**100.0 %**	$ 854,290	100.0 %	$ 920,504	100.0 %

Investments at fair value consisted of the following industry classifications as of December 31, 2024 and March 31, 2024:

	December 31, 2024		March 31, 2024	
	Fair Value	Percentage of Total Investments	Fair Value	Percentage of Total Investments
Diversified/Conglomerate Services	**$ 167,188**	**15.6 %**	$ 264,535	28.7 %
Home and Office Furnishings, Housewares, and Durable Consumer Products	**164,017**	**15.3 %**	160,038	17.3 %
Hotels, Motels, Inns, and Gaming	**116,534**	**10.9 %**	77,366	8.4 %
Aerospace and Defense	**108,464**	**10.1 %**	29,064	3.2 %
Machinery (Non-Agriculture, Non-Construction, and Non-Electronic)	**100,919**	**9.4 %**	92,781	10.1 %
Leisure, Amusement, Motion Pictures, and Entertainment	**74,334**	**6.9 %**	39,350	4.3 %
Electronics	**71,321**	**6.7 %**	—	— %
Oil and Gas	**67,775**	**6.3 %**	51,171	5.6 %
Buildings and Real Estate	**61,703**	**5.8 %**	60,431	6.6 %
Healthcare, Education, and Childcare	**44,131**	**4.1 %**	49,638	5.4 %
Mining, Steel, Iron and Non-Precious Metals	**35,586**	**3.3 %**	30,537	3.3 %
Chemicals, Plastics, and Rubber	**15,889**	**1.5 %**	20,363	2.2 %
Printing and Publishing	**14,400**	**1.3 %**	14,238	1.5 %
Cargo Transport	**12,514**	**1.2 %**	13,500	1.5 %
Telecommunications	**6,796**	**0.6 %**	9,002	1.0 %
Other < 2.0%	**10,659**	**1.0 %**	8,490	0.9 %
Total investments	**$ 1,072,230**	**100.0 %**	$ 920,504	100.0 %

Investments at fair value were included in the following geographic regions of the U.S. and Canada as of December 31, 2024 and March 31, 2024:

	December 31, 2024		March 31, 2024	
Location	Fair Value	Percentage of Total Investments	Fair Value	Percentage of Total Investments
United States				
Northeast	**$ 305,374**	**28.5 %**	$ 207,870	22.6 %
South	**295,954**	**27.6 %**	346,838	37.7 %
Midwest	**222,587**	**20.8 %**	141,925	15.4 %
West	**221,135**	**20.6 %**	223,871	24.3 %
Canada	**27,180**	**2.5 %**	—	— %
Total investments	**$ 1,072,230**	**100.0 %**	$ 920,504	100.0 %

The geographic region indicates the location of the headquarters for our portfolio companies. A portfolio company may have additional business locations in other geographic regions.

Investment Principal Repayments

The following table summarizes the contractual principal repayment and maturity of our investment portfolio by fiscal year, assuming no voluntary prepayments, as of December 31, 2024:

	Amount
For the remaining three months ending March 31, 2025	$ 49,060
For the fiscal years ending March 31:	
2026	215,780
2027	219,486
2028	66,231
2029	100,394
Thereafter	129,506
Total contractual repayments	**$ 780,457**
Investments in equity securities	241,284
Total cost basis of investments held as of December 31, 2024:	**$ 1,021,741**

Receivables from Portfolio Companies

Receivables from portfolio companies represent non-recurring costs that we incurred on behalf of portfolio companies. Such receivables, net of any allowance for uncollectible receivables, are included in Other assets, net on our accompanying *Consolidated Statements of Assets and Liabilities.* We generally maintain an allowance for uncollectible receivables from portfolio companies when the receivable balance becomes 90 days or more past due or if it is determined, based upon management's judgment, that the portfolio company is unable to pay its obligations. We write off accounts receivable when we have exhausted collection efforts and have deemed the receivables uncollectible. As of December 31, 2024 and March 31, 2024, we had gross receivables from portfolio companies of $2.4 million and $2.2 million, respectively. As of December 31, 2024 and March 31, 2024, the allowance for uncollectible receivables was $1.6 million and $1.4 million, respectively.

NOTE 4. RELATED PARTY TRANSACTIONS

Transactions with the Adviser

We pay the Adviser certain fees as compensation for its services under the Advisory Agreement, consisting of a base management fee and an incentive fee and a loan servicing fee for the Adviser's role as servicer pursuant to the Credit Facility, all as described below. On July 9, 2024, our Board of Directors, including a majority of the directors who are not parties to the Advisory Agreement or interested persons of either party, approved the annual renewal of the Advisory Agreement through August 31, 2025. Refer to Note 12 – *Subsequent Events* for additional information regarding the Advisory Agreement.

One of our executive officers, David Gladstone (our chairman and chief executive officer) serves as a director and executive officer of the Adviser, which, as of December 31, 2024, is 100% indirectly owned by Mr. Gladstone. David Dullum (our president) is also the executive vice president of private equity (buyouts) of the Adviser. Michael LiCalsi, our general counsel and secretary (who also serves as the Administrator's president, general counsel and secretary), is also the executive vice president of administration, general counsel, and secretary of our Adviser.

The following table summarizes the base management fees, loan servicing fees, incentive fees, and associated non-contractual, unconditional, and irrevocable credits reflected in our accompanying *Consolidated Statements of Operations*:

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2024	**2023**	**2024**	**2023**
Average total assets subject to base management fee[A]	**$ 974,400**	$ 920,400	**$ 929,133**	$ 858,267
Multiplied by prorated annual base management fee of 2.0%	**0.5 %**	0.5 %	**1.5 %**	1.5 %
Base management fee[B]	**4,872**	4,602	**13,937**	12,874
Credits to fees from Adviser - other[B]	**(2,851)**	(1,793)	**(4,147)**	(5,117)
Net base management fee	**$ 2,021**	$ 2,809	**$ 9,790**	$ 7,757
Loan servicing fee[B]	**2,405**	2,332	**6,821**	6,829
Credits to base management fee - loan servicing fee[B]	**(2,405)**	(2,332)	**(6,821)**	(6,829)
Net loan servicing fee	**$ —**	$ —	**$ —**	$ —
Incentive fee – income-based	**$ 1,887**	$ 2,282	**$ 2,481**	$ 6,142
Incentive fee – capital gains-based[C]	**7,466**	(615)	**5,316**	9,259
Total incentive fee[B]	**$ 9,353**	$ 1,667	**$ 7,797**	$ 15,401
Credits to fees from Adviser - other[B]	**—**	—	**—**	—
Net total incentive fee	**$ 9,353**	$ 1,667	**$ 7,797**	$ 15,401

[A] Average total assets subject to the base management fee is defined in the Advisory Agreement as total assets, including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings, valued at the end of the applicable quarters within the respective periods and adjusted appropriately for any share issuances or repurchases during the periods.

[B] Reflected as a line item on our accompanying *Consolidated Statements of Operations*.

[C] The capital gains-based incentive fees are recorded in accordance with GAAP and do not necessarily reflect amounts contractually due under the terms of the Advisory Agreement.

Base Management Fee

The base management fee is payable quarterly to the Adviser pursuant to our Advisory Agreement and is assessed at an annual rate of2.0%, computed on the basis of the value of our average gross assets at the end of the two most recently completed quarters (inclusive of the current quarter), which are total assets, including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings, valued at the end of the applicable quarters within the respective period and adjusted appropriately for any share issuances or repurchases during the period.

Additionally, pursuant to the requirements of the 1940 Act, the Adviser makes available significant managerial assistance to our portfolio companies. The Adviser may also provide other services to our portfolio companies under certain agreements and may receive fees for services other than managerial assistance. Such services may include: (i) assistance obtaining, sourcing or structuring credit facilities, long term loans or additional equity from unaffiliated third parties; (ii) negotiating important contractual financial relationships; (iii) consulting services regarding restructuring of the portfolio company and financial modeling as it relates to raising additional debt and equity capital from unaffiliated third parties; and (iv) taking a primary role in interviewing, vetting and negotiating employment contracts with candidates in connection with adding and retaining key portfolio company management team members. The Adviser non-contractually, unconditionally, and irrevocably credits 100% of any fees received for such services against the base management fee that we would otherwise be required to pay to the Adviser; however, pursuant to the terms of the Advisory Agreement, a small percentage of certain of such fees was retained by the Adviser in the form of reimbursement, at cost, for tasks completed by personnel of the Adviser, primarily related to the valuation of portfolio companies. For the three and nine months ended December 31, 2024, these credits totaled $163 thousand and $315 thousand, respectively. For the three and nine months ended December 31, 2023, these credits totaled $57 thousand and $215 thousand, respectively.

Loan Servicing Fee

The Adviser also services the loans held by our wholly-owned subsidiary, Business Investment (the borrower under the Credit Facility), in return for which the Adviser receives a 2.0% annual fee based on the monthly aggregate outstanding balance of loans pledged under the Credit Facility. Since Business Investment is a consolidated subsidiary of ours, coupled with the fact that the total base management fee paid to the Adviser pursuant to the Advisory Agreement cannot exceed 2.0% of total assets (less any uninvested cash or cash equivalents resulting from borrowings) during any given calendar year, we treat payment of the loan servicing fee pursuant to the Credit Facility as a pre-payment of the base management fee under the Advisory Agreement. Accordingly, these loan servicing fees are 100% non-contractually, unconditionally, and irrevocably credited back to us by the Adviser.

Incentive Fee

The incentive fee payable to the Adviser under our Advisory Agreement consists of two parts: an income-based incentive fee and a capital gains-based incentive fee.

The income-based incentive fee rewards the Adviser if our quarterly net investment income (before giving effect to any incentive fee) exceeds 1.75% of our net assets, which we define as total assets less indebtedness and before taking into account any incentive fees payable or contractually due but not payable during the period, at the end of the immediately preceding calendar quarter, adjusted appropriately for any share issuances or repurchases during the period (the "Hurdle Rate"). The income-based incentive fee with respect to our pre-incentive fee net investment income is payable quarterly to the Adviser and is computed as follows:

- No incentive fee in any calendar quarter in which our pre-incentive fee net investment income does not exceed the Hurdle Rate;
- 100.0% of our pre-incentive fee net investment income with respect to that portion of such pre-incentive fee net investment income, if any, that exceeds the Hurdle Rate but is less than 2.1875% of our net assets, adjusted appropriately for any share issuances or repurchases during the period, in any calendar quarter; and
- 20.0% of the amount of our pre-incentive fee net investment income, if any, that exceeds 2.1875% of our net assets, adjusted appropriately for any share issuances or repurchases during the period, in any calendar quarter.

The second part of the incentive fee is a capital gains-based incentive fee that is determined and payable in arrears as of the end of each fiscal year (or upon termination of the Advisory Agreement, as of the termination date), and equals 20.0% of our realized capital gains, less any realized capital losses and unrealized depreciation, calculated as of the end of the preceding calendar year. The capital gains-based incentive fee payable to the Adviser is calculated based on (i) cumulative aggregate realized capital gains since our inception, less (ii) cumulative aggregate realized capital losses since our inception, less (iii) the entire portfolio's aggregate unrealized capital depreciation, if any, as of the date of the calculation. If this number is positive at the applicable calculation date, then the capital gains-based incentive fee for such year equals 20.0% of such amount, less the aggregate amount of any capital gains-based incentive fees paid in respect of our portfolio in all prior years. For calculation purposes, cumulative aggregate realized capital gains, if any, equals the sum of the excess between the net sales price of each investment, when sold, and the original cost of such investment since our inception. Cumulative aggregate realized capital losses equals the sum of the deficit between the net sales price of each investment, when sold, and the original cost of such investment since our inception. The entire portfolio's aggregate unrealized capital depreciation, if any, equals the sum of the deficit between the fair value of each investment security as of the applicable calculation date and the original cost of such investment security. As of December 31, 2024, $ 4.9 million of capital gains-based incentive fees were contractually due to the Adviser. During the year ended March 31, 2024, $1.1 million capital gains-based incentive fees were contractually due and paid to the Adviser.

In accordance with GAAP, accrual of the capital gains-based incentive fee is determined as if our investments had been liquidated at their fair values as of the end of the reporting period. Therefore, GAAP requires that the capital gains-based incentive fee accrual consider the aggregate unrealized capital appreciation in the calculation, as a capital gains-based incentive fee would be payable if such unrealized capital appreciation were realized. There can be no assurance that any such unrealized capital appreciation will be realized in the future. Accordingly, a GAAP accrual is calculated at the end of the reporting period based on (i) cumulative aggregate realized capital gains since our inception, plus (ii) the entire portfolio's aggregate unrealized capital appreciation, if any, less (iii) cumulative aggregate realized capital losses since our inception, less (iv) the entire portfolio's aggregate unrealized capital depreciation, if any. If such amount is positive at the end of a reporting period, a capital gains-based incentive fee equal to 20.0% of such amount, less the aggregate amount of capital gains-based incentive fees accrued in all prior years, is recorded, regardless of whether such amount is contractually due under the terms of the Advisory Agreement. If such amount is negative, then there is no accrual for such period and prior period accruals are reversed, as appropriate. During the three and nine months ended December 31, 2024, we recorded an accrual of capital gains-based incentive fees of $7.5 million and $5.3 million, respectively. During the three and nine months ended ended December 31, 2023, we recorded a reversal of capital gains-based incentive fees of $0.6 million and an accrual of capital gains-based incentive fees of $9.3 million, respectively. As of December 31, 2024 and March 31, 2024, we had accrued capital gains-based incentive fees of $42.1 million and $36.7 million, respectively.

Transactions with the Administrator

We reimburse the Administrator pursuant to the Administration Agreement for our allocable portion of the Administrator's expenses incurred while performing services to us, which are primarily rent and salaries and benefits expenses of the Administrator's employees, including our chief financial officer and treasurer, chief valuation officer, chief compliance officer, and general counsel and secretary, and their respective staffs. One of our executive officers, David Gladstone (our chairman and chief executive officer) serves as a member of the board of managers and executive officer of the Administrator, which is 100% indirectly owned and controlled by Mr. Gladstone. Another of our officers, Mr. LiCalsi (our general counsel and secretary), serves as the Administrator's president as well as the executive vice president of administration, general counsel, and secretary for the Adviser.

Our allocable portion of the Administrator's expenses is generally derived by multiplying the Administrator's total expenses by the approximate percentage of time during the current quarter the Administrator's employees performed services for us in relation to their time spent performing services for all companies serviced by the Administrator. On July 9, 2024, our Board of Directors, including a majority of the directors who are not parties to the Administration Agreement or interested persons of either party, approved the annual renewal of the Administration Agreement through August 31, 2025. Administration fees for the three and nine months ended December 31, 2024 were $ 0.4 million and $1.5 million, respectively. Administration fees for the three and nine months ended December 31, 2023 were $0.5 million and $1.3 million, respectively.

Transactions with Gladstone Securities, LLC

Gladstone Securities, LLC ("Gladstone Securities") is a privately held broker dealer registered with the Financial Industry Regulatory Authority and insured by the Securities Investor Protection Corporation. Gladstone Securities is an affiliate of ours, as its parent company is 100% indirectly owned and controlled by David Gladstone, our chairman and chief executive officer. Mr. Gladstone also serves on the board of managers of Gladstone Securities.

From time to time, Gladstone Securities provides services, such as investment banking and due diligence services, to certain of our portfolio companies, for which it receives a fee. Any such fees paid by portfolio companies to Gladstone Securities do not impact the fees we pay to the Adviser or the non-contractual, unconditional, and irrevocable credits against the base management fee. During the three and nine months ended December 31, 2024, the fees received by Gladstone Securities from our portfolio companies totaled $1.7 million and $1.9 million, respectively. No fees were received by Gladstone Securities from our portfolio companies during the three months ended December 31, 2023. During the nine months ended December 31, 2023, the fees received by Gladstone Securities from our portfolio companies totaled $0.3 million.

Investment in Affiliated Fund

In December 2024, we invested in Gladstone Alternative, one of our affiliated funds, that is a registered, non-diversified, closed-end management investment company that operates as an interval fund. The fair value of the investment in Gladstone Alternative will be excluded from the average total assets subject to base management fee for the purposes of calculating the base management fee we pay to the Adviser.

Related Party Fees Due

Amounts due to related parties on our accompanying *Consolidated Statements of Assets and Liabilities* were as follows:

	As of December 31, 2024	As of March 31, 2024
Base management and loan servicing fee due to Adviser, net of credits	**$ 238**	$ 2,386
Incentive fee due to Adviser[(A)]	**43,945**	38,936
Other due to Adviser	**122**	22
Total fees due to Adviser	**44,305**	41,344
Fee due to Administrator	**618**	727
Total related party fees due	**$ 44,923**	$ 42,071

(A) Includes a capital gains-based incentive fee of $37.2 million and $36.7 million as of December 31, 2024 and March 31, 2024, respectively, recorded in accordance with GAAP requirements, and which was not contractually due under the terms of the Advisory Agreement. Refer to Note 4 — *Related Party Transactions — Transactions with the Adviser — Incentive Fee* for additional information, including capital gains-based incentive fee payments made.

Co-investment expenses as of both December 31, 2024 and March 31, 2024 were $0.1 million. These amounts are generally settled in the quarter subsequent to being incurred and have been included in Other assets, net on the accompanying *Consolidated Statements of Assets and Liabilities.*

NOTE 5. BORROWINGS

Revolving Line of Credit

We, through our wholly-owned subsidiary, Business Investment, are party to a Credit Facility with KeyBank National Association ("KeyBank"), as administrative agent, joint lead arranger and lender, Fifth Third Bank as managing agent, joint lead arranger and lender, the Adviser, as servicer, and certain other lenders party thereto. As of December 31, 2024, the Credit Facility provides for maximum borrowings of $200.0 million, with a revolving period end date of October 30, 2026 and a maturity date of October 30, 2028.

Advances under the Credit Facility generally bear interest at 30-day Term SOFR, subject to a floor of 0.35%, with a SOFR credit spread adjustment of 10 basis points, plus a margin of 3.15% per annum until October 30, 2026, with the margin then increasing to 3.40% for the period from October 30, 2026 to October 30, 2027, and increasing further to 3.65% thereafter. The Credit Facility has an unused commitment fee on the daily unused commitment amount of 0.50% per annum if the daily unused commitment amount is less than or equal to 50% of the total commitment amount, 0.75% per annum if the daily unused commitment amount is greater than 50% but less than or equal to 65% of the total commitment amount, and 1.00% per annum if the daily unused commitment amount is greater than 65% of the total commitment amount.

The following tables summarize noteworthy information related to the Credit Facility:

	As of December 31, 2024	As of March 31, 2024
Commitment amount	**$ 200,000**	$ 200,000
Borrowings outstanding at cost	**$ 91,500**	$ 67,000
Availability[A]	**$ 108,500**	$ 133,000

	For the Three Months Ended December 31,		For the Nine Months Ended December 31,	
	2024	2023	2024	2023
Weighted-average borrowings outstanding	**$ 41,921**	$ 77,359	**$ 55,792**	$ 57,135
Effective interest rate[B]	**11.8 %**	9.2 %	**11.1 %**	10.2 %
Commitment (unused) fees incurred	**$ 406**	$ 113	**$ 1,067**	$ 777

(A) Availability is subject to various constraints, characteristics and applicable advance rates based on collateral quality under the Credit Facility, which equated to an adjusted availability of $108.5 million and $133.0 million as of December 31, 2024 and March 31, 2024, respectively.

(B) Excludes the impact of deferred financing costs and includes unused commitment fees.

Among other things, the Credit Facility contains a performance guaranty that requires us to maintain: (i) a minimum net worth of the greater of $210.0 million or $210.0 million plus 50% of all equity and subordinated debt raised, minus 50% of any equity or subordinated debt redeemed or retired after November 16, 2016, which equated to $412.9 million as of December 31, 2024; (ii) asset coverage with respect to senior securities representing indebtedness of at least 150% (or such percentage as may be set forth in Section 18 of the 1940 Act, as modified by Section 61 of the 1940 Act); and (iii) our status as a BDC under the 1940 Act and as a RIC under the Code. As of December 31, 2024, and as defined in the performance guaranty of the Credit Facility, we had a net worth of $943.9 million, asset coverage on our senior securities representing indebtedness of 185.9%, calculated in compliance with the requirements of Sections 18 and 61 of the 1940 Act, and an active status as a BDC and RIC. As of December 31, 2024, we were in compliance with all covenants under the Credit Facility.

Fair Value

We elected to apply the fair value option of ASC Topic 825, "*Financial Instruments*," to the Credit Facility, which was consistent with our application of ASC 820 to our investments. Generally, the fair value of the Credit Facility is determined using a yield analysis, which includes a DCF calculation and also takes into account the assumptions the Valuation Team believes market participants would use, including the estimated remaining life, counterparty credit risk, current market yield and interest rate spreads of similar securities as of the measurement date. As of December 31, 2024, the discount rate used to determine the fair value of the Credit Facility was 30-day Term SOFR, with a 0.35% floor, and SOFR credit spread adjustment of 10 basis points, plus a margin of 3.15% per annum, plus an unused commitment fee of 0.75%. As of March 31, 2024, the discount rate used to determine the fair value of the Credit Facility was 30-day Term SOFR, with a 0.35% floor, and SOFR credit spread adjustment of 10 basis points, plus a margin of 3.15% per annum, plus an unused commitment fee of 1.0%. Generally, an increase or decrease in the discount rate used in the DCF calculation may result in a corresponding decrease or increase, respectively, in the fair value of the Credit Facility. As of each of December 31, 2024 and March 31, 2024, the Credit Facility was valued using Level 3 inputs and any changes in its fair value are recorded in Net unrealized appreciation (depreciation) of other on our accompanying *Consolidated Statements of Operations.*

The following tables provide relevant information and disclosures about the Credit Facility as of December 31, 2024 and March 31, 2024 and for the three and nine months ended December 31, 2024 and 2023, as required by ASC 820:

	Level 3 – Borrowings	
	Recurring Fair Value Measurements Reported in *Consolidated Statements of Assets and Liabilities* Using Significant Unobservable Inputs (Level 3)	
	December 31, 2024	March 31, 2024
Credit Facility	**$ 91,500**	$ 67,000

Fair Value Measurements of Borrowings Using Significant Unobservable Inputs (Level 3) Reported in *Consolidated Statements of Assets and Liabilities*

	Credit Facility
Three Months Ended December 31, 2024:	
Fair value at September 30, 2024	$ 8,900
Borrowings	144,200
Repayments	(61,600)
Fair value at December 31, 2024	**$ 91,500**
Nine Months Ended December 31, 2024	
Fair value at March 31, 2024	$ 67,000
Borrowings	192,000
Repayments	(167,500)
Fair value at December 31, 2024	**$ 91,500**

Fair Value Measurements of Borrowings Using Significant Unobservable Inputs (Level 3) Reported in *Consolidated Statements of Assets and Liabilities*

	Credit Facility
Three Months Ended December 31, 2023:	
Fair value at September 30, 2023	$ 79,208
Borrowings	104,900
Repayments	(101,600)
Unrealized appreciation	92
Fair value at December 31, 2023	**$ 82,600**
Nine Months Ended December 31, 2023	
Fair value at March 31, 2023	$ 35,171
Borrowings	231,900
Repayments	(184,500)
Unrealized appreciation	29
Fair value at December 31, 2023	**$ 82,600**

The fair value of the collateral under the Credit Facility was $847.3 million and $717.3 million as of December 31, 2024 and March 31, 2024, respectively.

Notes Payable

5.00% Notes due 2026

In March 2021, we completed a public offering of 5.00% Notes due 2026 with an aggregate principal amount of $127.9 million (the "5.00% 2026 Notes"), which resulted in net proceeds of approximately $123.8 million after deducting underwriting discounts, commissions and offering costs borne by us. The 5.00% 2026 Notes are traded under the ticker symbol "GAINN" on the Nasdaq Global Select Market ("Nasdaq"). The 5.00% 2026 Notes will mature on May 1, 2026 and may be redeemed in whole or in part at any time or from time to time at the Company's option. The 5.00% 2026 Notes bear interest at a rate of 5.00% per year, which is payable quarterly in arrears.

The indenture relating to the 5.00% 2026 Notes contains certain covenants, including (i) an inability to incur additional debt or issue additional debt or preferred securities unless the Company's asset coverage meets the threshold specified in the 1940 Act after such borrowing, (ii) an inability to declare any dividend or distribution (except a dividend payable in our stock) on a class of our capital stock or to purchase shares of our capital stock unless the Company's asset coverage meets the threshold specified in the 1940 Act at the time of (and giving effect to) such declaration or purchase, and (iii) if, at any time, we are not subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), we will provide the holders of the 5.00% 2026 Notes and the trustee with audited annual consolidated financial statements and unaudited interim consolidated financial statements.

The 5.00% 2026 Notes are recorded at the aggregate principal amount, less underwriting discounts, commissions, and offering costs, on our accompanying *Consolidated Statements of Assets and Liabilities*. Total underwriting discounts, commissions, and offering costs related to this offering were $4.1 million, which have been recorded as discounts to the aggregate principal amount on our accompanying *Consolidated Statements of Assets and Liabilities* and are being amortized over the period ending May 1, 2026, the maturity date.

4.875% Notes due 2028

In August 2021, we completed a public offering of 4.875% Notes due 2028 with an aggregate principal amount of $134.6 million (the "4.875% 2028 Notes"), which resulted in net proceeds of approximately $131.3 million after deducting underwriting discounts, commissions and offering costs borne by us. The 4.875% 2028 Notes are traded under the ticker symbol "GAINZ" on Nasdaq. The 4.875% 2028 Notes will mature on November 1, 2028 and may be redeemed in whole or in part at any time or from time to time at the Company's option. The 4.875% 2028 Notes bear interest at a rate of 4.875% per year, which is payable quarterly in arrears.

The indenture relating to the 4.875% 2028 Notes contains certain covenants, including (i) an inability to incur additional debt or issue additional debt or preferred securities unless the Company's asset coverage meets the threshold specified in the 1940 Act after such borrowing, (ii) an inability to declare any dividend or distribution (except a dividend payable in our stock) on a class of our capital stock or to purchase shares of our capital stock unless the Company's asset coverage meets the threshold specified in the 1940 Act at the time of (and giving effect to) such declaration or purchase, and (iii) if, at any time, we are not subject to the reporting requirements of the Exchange Act, we will provide the holders of the 4.875% 2028 Notes and the trustee with audited annual consolidated financial statements and unaudited interim consolidated financial statements.

The 4.875% 2028 Notes are recorded at the aggregate principal amount, less underwriting discounts, commissions, and offering costs, on our accompanying *Consolidated Statements of Assets and Liabilities*. Total underwriting discounts, commissions, and offering costs related to this offering were $3.3 million, which have been recorded as discounts to the aggregate principal amount on our accompanying *Consolidated Statements of Assets and Liabilities* and are being amortized over the period ending November 1, 2028, the maturity date.

8.00% Notes due 2028

In May 2023, we completed a public offering of 8.00% Notes due 2028 with an aggregate principal amount of $74.8 million (the "8.00% 2028 Notes"), which resulted in net proceeds of approximately $72.3 million after deducting underwriting discounts, commissions and offering costs borne by us. The 8.00% 2028 Notes are traded under the ticker symbol "GAINL" on Nasdaq. The 8.00% 2028 Notes will mature on August 1, 2028 and may be redeemed in whole or in part at any time or from time to time at the Company's option on or after August 1, 2025. The 8.00% 2028 Notes bear interest at a rate of 8.00% per year, which is payable quarterly in arrears.

The indenture relating to the 8.00% 2028 Notes contains certain covenants, including (i) an inability to incur additional debt or issue additional debt or preferred securities unless the Company's asset coverage meets the threshold specified in the 1940 Act after such borrowing, (ii) an inability to declare any dividend or distribution (except a dividend payable in our stock) on a class of our capital stock or to purchase shares of our capital stock unless the Company's asset coverage meets the threshold specified in the 1940 Act at the time of (and giving effect to) such declaration or purchase, and (iii) if, at any time, we are not subject to the reporting requirements of the Exchange Act, we will provide the holders of the 8.00% 2028 Notes and the trustee with audited annual consolidated financial statements and unaudited interim consolidated financial statements.

The 8.00% 2028 Notes are recorded at the aggregate principal amount, less underwriting discounts, commissions, and offering costs, on our accompanying *Consolidated Statements of Assets and Liabilities*. Total underwriting discounts, commissions, and offering costs related to this offering were $2.5 million, which have been recorded as discounts to the aggregate principal amount on our accompanying *Consolidated Statements of Assets and Liabilities* and are being amortized over the period ending August 1, 2028, the maturity date.

7.875% Notes due 2030

In December 2024, we completed a public offering of 7.875% Notes due 2030 with an aggregate principal amount of $126.5 million (the "7.875% 2030 Notes"), which resulted in net proceeds of approximately $122.4 million after deducting underwriting discounts, commissions and offering costs borne by us. The 7.875% 2030 Notes are traded under the ticker symbol "GAINI" on Nasdaq. The 7.875% 2030 Notes will mature on February 1, 2030 and may be redeemed in whole or in part at any time or from time to time at the Company's option on or after February 1, 2027. The 7.875% 2030 Notes bear interest at a rate of 7.875% per year, payable quarterly in arrears.

The indenture relating to the 7.875% 2030 Notes contains certain covenants, including (i) an inability to incur additional debt or issue additional debt or preferred securities unless the Company's asset coverage meets the threshold specified in the 1940 Act after such borrowing, (ii) an inability to declare any dividend or distribution (except a dividend payable in our stock) on a class of our capital stock or to purchase shares of our capital stock unless the Company's asset coverage meets the threshold specified in the 1940 Act at the time of (and giving effect to) such declaration or purchase, and (iii) if, at any time, we are not subject to the reporting requirements of the Exchange Act, we will provide the holders of the 7.875% 2030 Notes and the trustee with audited annual consolidated financial statements and unaudited interim consolidated financial statements.

The 7.875% 2030 Notes are recorded at the aggregate principal amount, less underwriting discounts, commissions, and offering costs, on our accompanying *Consolidated Statements of Assets and Liabilities*. Total underwriting discounts, commissions, and offering costs related to this offering were $4.1 million, which have been recorded as discounts to the aggregate principal amount on our accompanying *Consolidated Statements of Assets and Liabilities* and are being amortized over the period ending February 1, 2030, the maturity date.

The following tables summarize our 5.00% 2026 Notes, 4.875% 2028 Notes, 8.00% 2028 Notes and 7.875% 2030 Notes as of December 31, 2024 and March 31, 2024:

As of December 31, 2024:

Description	Ticker Symbol	Date Issued	Maturity Date[A]	Interest Rate	Notes Outstanding	Principal Amount per Note	Aggregate Principal Amount
5.00% 2026 Notes	GAINN	March 2, 2021	May 1, 2026	5.00%	5,117,500	$ 25.00	**$ 127,938**
4.875% 2028 Notes	GAINZ	August 18, 2021	November 1, 2028	4.875%	5,382,000	$ 25.00	**134,550**
8.00% 2028 Notes	GAINL	May 31, 2023	August 1, 2028	8.00%	2,990,000	$ 25.00	**74,750**
7.875% 2030 Notes	GAINI	December 17, 2024	February 1, 2030	7.875%	5,060,000	$ 25.00	**126,500**
Notes payable, gross[B]					**18,549,500**		**463,738**
Less: Unamortized Discounts							**(8,680)**
Notes payable, net[C]							**$ 455,058**

As of March 31, 2024:

Description	Ticker Symbol	Date Issued	Maturity Date[A]	Interest Rate	Notes Outstanding	Principal Amount per Note	Aggregate Principal Amount
5.00% 2026 Notes	GAINN	March 2, 2021	May 1, 2026	5.00%	5,117,500	$ 25.00	**$ 127,938**
4.875% 2028 Notes	GAINZ	August 18, 2021	November 1, 2028	4.875%	5,382,000	$ 25.00	**134,550**
8.00% 2028 Notes	GAINL	May 31, 2023	August 1, 2028	8.00%	2,990,000	$ 25.00	**74,750**
Notes payable, gross[B]					**13,489,500**		**337,238**
Less: Unamortized Discounts							**(5,893)**
Notes payable, net[C]							**$ 331,345**

[A] The 5.00% 2026 Notes and the 4.875% 2028 Notes can be redeemed at our option at any time. The 8.00% 2028 Notes can be redeemed at our option at any time on or after August 1, 2025. The 7.875% 2030 Notes can be redeemed at our option at any time on or after February 1, 2027.

[B] As of December 31, 2024 and March 31, 2024, asset coverage on our senior securities representing indebtedness, calculated pursuant to Sections 18 and 61 of the 1940 Act, was 185.9% and 219.0%, respectively.

[C] Reflected as a line item on our accompanying *Consolidated Statements of Assets and Liabilities*.

The fair value, based on the last reported closing prices, of the5.00% 2026 Notes, 4.875% 2028 Notes, 8.00% 2028 Notes and 7.875% 2030 Notes as of December 31, 2024 was $127.3 million, $127.3 million, $77.1 million and $128.4 million, respectively. The fair value, based on the last reported closing prices, of the5.00% 2026 Notes, 4.875% 2028 Notes and 8.00% 2028 Notes as of March 31, 2024 was$123.9 million, $123.7 million, and $77.3 million, respectively. We consider the closing prices of the 5.00% 2026 Notes, 4.875% 2028 Notes, 8.00% 2028 Notes and 7.875% 2030 Notes to be Level 1 inputs within the ASC 820 hierarchy.

NOTE 6. REGISTRATION STATEMENT AND COMMON EQUITY OFFERINGS

Registration Statement

On February 28, 2024, we filed a registration statement on Form N-2 (File No. 333-277452), which the SEC declared effective on April 18, 2024. The registration statement permits us to issue, through one or more transactions, up to an aggregate of $450.0 million in securities, consisting of common stock, preferred stock, subscription rights, debt securities, and warrants to purchase common stock, preferred stock, or debt securities, including through concurrent, separate offerings of such securities. As of the date of this report, we have the ability to issue up to $321.5 million of the securities registered under the registration statement.

Common Equity Offering

In May 2024, we entered into equity distribution agreements with Oppenheimer & Co., B. Riley Securities, Inc. and Virtu Americas LLC (each a “Sales Agent” and, collectively, the "Sales Agents"), under which we have the ability to issue and sell shares of our common stock, from time to time, through the Sales Agents, having an aggregate offering price of up to $75.0 million in what is commonly referred to as an “at-the-market” program (the “2024 Common Stock ATM Program”). As of December 31, 2024, we had remaining capacity to sell up to an additional $73.0 million of common stock under the 2024 Common Stock ATM program.

In August 2022, we entered into equity distribution agreements with Oppenheimer & Co. and Virtu Americas LLC (each a “2022 Sales Agent”), under which we had the ability to issue and sell shares of our common stock, from time to time, through the Sales Agents, having an aggregate offering price of up to $50.0 million in what is commonly referred to as an “at-the-market” program (“2022 Common Stock ATM Program”). In August 2023, we entered into an equity distribution agreement with B. Riley Securities, Inc. and entered into amendments to the agreements with Oppenheimer & Co. Inc. and Virtu Americas LLC to add B. Riley Securities, Inc. as a 2022 Sales Agent for the 2022 Common Stock ATM Program. We did not sell any shares under the 2022 Common Stock ATM Program, which terminated in connection with our entry into the 2024 Common Stock ATM Program on May 14, 2024, during the nine months ended December 31, 2024.

During the three and nine months ended December 31, 2024, we sold148,714 shares of our common stock under the 2024 Common Stock ATM Program, with a weighted-average gross price of $13.64 per share and a weighted-average net price of $13.48 per share after deducting commissions and offering costs borne by us, raising approximately $2.0 million and $2.0 million of gross and net proceeds, respectively.

During the three months ended December 31, 2023, we sold1,456,279 shares of common stock under the 2022 Common Stock ATM Program, with a weighted-average gross price of $14.51 per share and a weighted-average net price of $14.28 per share after deducting commissions and offering costs borne by us, raising approximately $21.1 million and $20.8 million of gross and net proceeds, respectively. During the nine months ended December 31, 2023, we sold1,760,449 shares of common stock under the 2022 Common Stock ATM Program, with a weighted-average gross price of $ 14.34 per share and a weighted-average net price of $14.12 per share after deducting commissions and offering costs borne by us, raising approximately $25.3 million and $24.9 million of gross and net proceeds, respectively. All of these sales were above our then current estimated NAV per share.

NOTE 7. NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS PER WEIGHTED-AVERAGE COMMON SHARE

The following table sets forth the computation of basic and diluted net increase in net assets resulting from operations per weighted-average common share for the three and nine months ended December 31, 2024 and 2023:

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2024	**2023**	**2024**	**2023**
Net increase in net assets resulting from operations	**$ 38,490**	$ 6,579	**$ 47,446**	$ 62,721
Basic and diluted weighted-average common shares	**36,727,873**	34,351,597	**36,701,783**	33,921,300
Basic and diluted net increase in net assets resulting from operations per weighted-average common share	**$ 1.05**	$ 0.19	**$ 1.29**	$ 1.85

NOTE 8. DISTRIBUTIONS TO COMMON STOCKHOLDERS

To qualify to be taxed as a RIC under Subchapter M of the Code, we must generally distribute to our stockholders, for each taxable year, at least 90% of our taxable ordinary income plus the excess of our net short-term capital gains over net long-term capital losses ("Investment Company Taxable Income"). The amount to be paid out as distributions to our stockholders is determined by our Board of Directors and is based upon management's estimate of Investment Company Taxable Income and net long-term capital gains, as well as amounts to be distributed in accordance with Section 855(a) of the Code. Based on that estimate, our Board of Directors declares monthly distributions, and supplemental distributions, as appropriate, to stockholders each quarter and deemed distributions of long-term capital gains annually as of the end of the fiscal year, as applicable.

The U.S. federal income tax characteristics of cash distributions paid to our common stockholders generally are reported to stockholders on IRS Form 1099 after the end of each calendar year. Estimates of tax characterization made on a quarterly basis may not be representative of the actual tax characterization of cash distributions for the full year. Estimates made on a quarterly basis are updated as of each interim reporting date. The tax characterization of cash distributions paid to common stockholders during the calendar year ended December 31, 2024 was 52.9% from ordinary income and 47.1% from capital gains. The tax characterization of cash distributions paid to common stockholders during the calendar year ended December 31, 2023 was 53.2% from ordinary income and 46.8% from capital gains.

We paid the following cash distributions to our common stockholders for the nine months ended December 31, 2024 and 2023:

For the Nine Months Ended December 31, 2024

Declaration Date	Record Date	Payment Date	Distribution per Common Share	
April 9, 2024	April 19, 2024	April 30, 2024	**$ 0.08**	
April 9, 2024	May 17, 2024	May 31, 2024	**0.08**	
April 9, 2024	June 19, 2024	June 28, 2024	**0.08**	
July 9, 2024	July 22, 2024	July 31, 2024	**0.08**	
July 9, 2024	August 21, 2024	August 30, 2024	**0.08**	
July 9, 2024	September 20, 2024	September 30, 2024	**0.08**	
September 17, 2024	October 4, 2024	October 15, 2024	**0.70**	(A)
October 8, 2024	October 22, 2024	October 31, 2024	**0.08**	
October 8, 2024	November 20, 2024	November 29, 2024	**0.08**	
October 8, 2024	December 20, 2024	December 31, 2024	**0.08**	
		Nine Months Ended December 31, 2024	**$ 1.42**	

For the Nine Months Ended December 31, 2023

Declaration Date	Record Date	Payment Date	Distribution per Common Share	
April 11, 2023	April 21, 2023	April 28, 2023	$ 0.08	
April 11, 2023	May 23, 2023	May 31, 2023	0.08	
April 11, 2023	June 5, 2023	June 15, 2023	0.12	(A)
April 11, 2023	June 21, 2023	June 30, 2023	0.08	
July 11, 2023	July 21, 2023	July 31, 2023	0.08	
July 11, 2023	August 23, 2023	August 31, 2023	0.08	
July 11, 2023	September 7, 2023	September 15, 2023	0.12	(A)
July 11, 2023	September 21, 2023	September 29, 2023	0.08	
October 10, 2023	October 20, 2023	October 31, 2023	0.08	
October 10, 2023	November 7, 2023	November 17, 2023	0.12	(A)
October 10, 2023	November 20, 2023	November 30, 2023	0.08	
October 24, 2023	December 5, 2023	December 15, 2023	0.88	(A)
October 10, 2023	December 18, 2023	December 29, 2023	0.08	
		Nine Months Ended December 31, 2023	$ 1.96	

(A) Represents a supplemental distribution to common stockholders.

Aggregate cash distributions to our common stockholders declared and paid were $52.1 million and $67.4 million for the nine months ended December 31, 2024 and 2023, respectively.

For the fiscal year ended March 31, 2024, Investment Company Taxable Income exceeded distributions declared and paid, and, in accordance with Section 855(a) of the Code, we elected to treat $18.7 million of the first distributions paid subsequent to fiscal year-end, as having been paid in the prior year. In addition, for the fiscal year ended March 31, 2024 net capital gains exceeded distributions declared and paid, and, in accordance with Section 855(a) of the Code, we elected to treat $1.4 million of the first distributions paid subsequent to fiscal year-end as having been paid in the prior year.

For the three months ended December 31, 2024, we recorded $0.4 million of net adjustments for estimated permanent book-tax differences to reflect tax character, which increased Accumulated net realized gain in excess of distributions and decreased Capital in excess of par value and Overdistributed net investment income on our accompanying *Consolidated Statements of Assets and Liabilities*. For the three months ended December 31, 2023, we recorded $0.4 million of net adjustments for estimated permanent book-tax differences to reflect tax character, which decreased Capital in excess of par value and increased Overdistributed net investment income on our accompanying *Consolidated Statements of Assets and Liabilities*.

For the nine months ended December 31, 2024, we recorded $1.2 million of net adjustments for estimated permanent book-tax differences to reflect tax character, which decreased Capital in excess of par value and increased Overdistributed net investment income on our accompanying *Consolidated Statements of Assets and Liabilities*. For the nine months ended December 31, 2023, we recorded $0.4 million of net adjustments for estimated permanent book-tax differences to reflect tax character, which increased Overdistributed net investment income and decreased Accumulated net realized gain in excess of distributions and Capital in excess of par value on our accompanying *Consolidated Statements of Assets and Liabilities*.

We may distribute our net long-term capital gains, if any, in cash or elect to retain some or all of such gains, pay taxes at the U.S. federal corporate-level income tax rate on the amount retained, and designate the retained amount as a "deemed distribution." If we elect to retain net long-term capital gains and deem them distributed, each U.S. common stockholder will be treated as if they received a distribution of their pro-rata share of the retained net long-term capital gain and the U.S. federal income tax paid. As a result, each U.S. common stockholder will (i) be required to report their pro rata share of the retained gain on their tax return as long-term capital gain, (ii) receive a refundable tax credit for their pro-rata share of federal income tax paid by us on the retained gain, and (iii) increase the tax basis of their shares of common stock by an amount equal to the deemed distribution less the tax credit. For the year ended March 31, 2024, we did not elect to retain long-term capital gains and to treat them as deemed distributions to common stockholders.

NOTE 9. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

We are party to certain legal proceedings incidental to the normal course of our business. We are required to establish reserves for litigation matters where those matters present loss contingencies that are both probable and estimable. When loss contingencies are not both probable and estimable, we do not establish reserves. Based on current knowledge, we do not believe that loss contingencies, if any, arising from pending investigations, litigation or regulatory matters will have a material adverse effect on our financial condition, results of operation or cash flows. Additionally, based on our current knowledge, we do not believe such loss contingencies are both probable and estimable and therefore, as of December 31, 2024 and March 31, 2024, we had no established reserves for such loss contingencies.

Escrow Holdbacks

From time to time, we enter into arrangements relating to exits of certain investments whereby specific amounts of the proceeds are held in escrow to be used to satisfy potential obligations, as stipulated in the sales agreements. We record escrow amounts in Restricted cash and cash equivalents, if received in cash but subject to potential obligations or other contractual restrictions, or as escrow receivables in Other assets, net, if not yet received in cash, on our accompanying *Consolidated Statements of Assets and Liabilities*. We establish reserves and holdbacks against escrow amounts if we determine that it is probable and estimable that a portion of the escrow amounts will not ultimately be released or received at the end of the escrow period. Reserves and holdbacks against escrow amounts were $1.7 million and $1.0 million as of December 31, 2024 and March 31, 2024, respectively.

Financial Commitments and Obligations

We may have line of credit commitments to certain of our portfolio companies that have not been fully drawn. Since these lines of credit commitments have expiration dates and we expect many will never be fully drawn, the total line of credit commitment amounts do not necessarily represent future cash requirements. We estimate the fair value of the combined unused line of credit commitments as of December 31, 2024 and March 31, 2024 to be insignificant.

The following table summarizes the principal balances of unused line of credit as of December 31, 2024 and March 31, 2024, which are not reflected as liabilities in the accompanying *Consolidated Statements of Assets and Liabilities:*

	December 31, 2024	March 31, 2024
Unused line of credit commitments	**$ 4,817**	$ 2,394
Total	**$ 4,817**	$ 2,394

NOTE 10. FINANCIAL HIGHLIGHTS

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2024	2023	2024	2023
Per Common Share Data:				
Net asset value at beginning of period[A]	**$ 12.49**	$ 14.03	**$ 13.43**	$ 13.09
Income from investment operations[B]				
Net investment income	**0.03**	0.28	**0.57**	0.49
Net realized gain	**—**	1.27	**1.15**	1.32
Net unrealized appreciation/(depreciation)	**1.02**	(1.36)	**(0.43)**	0.04
Total income from investment operations	**1.05**	0.19	**1.29**	1.85
Effect of equity capital activity[B]				
Cash distributions to common stockholders from net investment income[C]	**(0.16)**	(0.43)	**(0.64)**	(0.84)
Cash distributions to common stockholders from net realized gains[C]	**(0.08)**	(0.81)	**(0.78)**	(1.12)
Discounts, commissions and offering costs	**0.00**	(0.01)	**0.00**	(0.01)
Net accretive effect of equity offering[D]	**0.00**	0.05	**0.00**	0.05
Total from equity capital activity	**(0.24)**	(1.20)	**(1.42)**	(1.92)
Other, net[B][E]	**—**	(0.01)	**—**	(0.01)
Net asset value at end of period[A]	**$ 13.30**	$ 13.01	**$ 13.30**	$ 13.01
Per common share market value at beginning of period	**$ 14.45**	$ 12.74	**$ 14.23**	$ 13.25
Per common share market value at end of period	**$ 13.25**	$ 14.15	**$ 13.25**	$ 14.15
Total investment return[F]	**(2.04)%**	20.85 %	**2.95 %**	22.72 %
Common stock outstanding at end of period[A]	**36,837,381**	35,351,954	**36,837,381**	35,351,954
Statement of Assets and Liabilities Data:				
Net assets at end of period	**$ 490,053**	$ 459,941	**$ 490,053**	$ 459,941
Average net assets[G]	**$ 460,414**	$ 475,007	**$ 473,082**	$ 455,627
Senior Securities Data:				
Total borrowings, at cost	**$ 555,238**	$ 419,838	**$ 555,238**	$ 419,838
Ratios/Supplemental Data:				
Ratio of net expenses to average net assets – annualized[H]	**17.56 %**	11.23 %	**19.13 %**	13.78 %
Ratio of net investment income to average net assets – annualized[I]	**1.01 %**	8.21 %	**8.82 %**	4.80 %

(A) Based on actual shares of common stock outstanding at the beginning or end of the corresponding period, as appropriate.

(B) Based on weighted-average basic common share data for the corresponding period.

(C) The tax character of distributions is determined based on taxable income calculated in accordance with income tax regulations, which may differ from amounts determined under GAAP. For further information on the estimated character of our distributions to common stockholders, including changes in estimates, as applicable, refer to Note 8 — *Distributions to Common Stockholders*.

(D) During the three and nine months ended December 31, 2023, the accretive effect is a result of issuing common shares at a price above the then current NAV per share.

(E) Represents the impact of the different share amounts (weighted-average basic common shares outstanding for the corresponding period and actual common shares outstanding at the end of the period) in the Per Common Share Data calculations and rounding impacts.

(F) Total investment return equals the change in the market value of our common stock from the beginning of the period, taking into account dividends reinvested in accordance with the terms of our dividend reinvestment plan. Total return does not take into account distributions that may be characterized as a return of capital. For further information on the estimated character of our distributions to common stockholders, including changes in estimates, as applicable, refer to Note 8 — *Distributions to Common Stockholders.*

(G) Calculated using the average balance of net assets at the end of each month of the reporting period.

(H) Ratio of net expenses to average net assets is computed using total expenses, net of any non-contractual, unconditional, and irrevocable credits of fees from the Adviser. Had we not received any non-contractual, unconditional, and irrevocable credits of fees from the Adviser, the ratio of expenses to average net assets - annualized would have been 22.12% and 14.70% for the three months

ended December 31, 2024 and 2023, respectively, and 23.77% and 17.27% for the nine months ended December 31, 2024 and 2023, respectively.

(1) Had we not received any non-contractual, unconditional, and irrevocable credits of fees from the Adviser, the ratio of net investment (loss) income to average net assets - annualized would have been (3.56)% and 4.73% for the three months ended December 31, 2024 and 2023, respectively, and 4.18% and 1.32% for the nine months ended December 31, 2024 and 2023, respectively.

NOTE 11. UNCONSOLIDATED SIGNIFICANT SUBSIDIARIES

In accordance with the SEC's Regulation S-X, we do not consolidate portfolio company investments. Further, in accordance with ASC 946, we are precluded from consolidating any entity other than another investment company, except that ASC 946 provides for the consolidation of a controlled operating company that provides substantially all of its services to the investment company or its consolidated subsidiaries. We did not have any unconsolidated subsidiaries that met any of the significance conditions under Rule 1-02(w) of the SEC's Regulation S-X as of or during the nine months ended December 31, 2024 and 2023.

NOTE 12. SUBSEQUENT EVENTS

Distributions and Dividends

- In January 2025, our Board of Directors declared the following monthly distributions to common stockholders:

Record Date	Payment Date	Distribution per Common Share
January 24, 2025	January 31, 2025	$ 0.08
February 19, 2025	February 28, 2025	0.08
March 19, 2025	March 31, 2025	0.08
	Total for the Quarter:	**$ 0.24**

Revolving Line of Credit

On February 10, 2025, we, through our wholly-owned subsidiary, Business Investment, entered into Amendment No. 10 to the Credit Facility with KeyBank, as administrative agent, joint lead arranger and lender, Fifth Third Bank as managing agent, joint lead arranger and lender, the Adviser, as servicer, and certain other lenders party thereto. The Credit Facility was amended to increase the size from $200.0 million to $250.0 million and update certain existing terms. The Credit Facility continues to include customary terms, covenants, events of default and constraints on borrowing availability based on collateral tests for a credit facility of its size and nature.

Investment Advisory Agreement

On January 24, 2025, the Company entered into a new investment advisory and management agreement (the "New Advisory Agreement") with the Adviser. The New Advisory Agreement, which was approved by the Company's stockholders at a stockholders' meeting on January 4, 2024, was entered into as a result of a change of control of the Adviser pursuant to the previously disclosed voting trust agreement, among David Gladstone, Lorna Gladstone, Laura Gladstone, Kent Gladstone and Jessica Martin, each as a trustee and collectively, as the board of trustees of the voting trust, the Adviser and certain stockholders of the Adviser. There are no changes to the terms, including the fee structure and services to be provided, of the prior Advisory Agreement in the New Advisory Agreement, other than the date and term of the New Advisory Agreement as compared to the prior Advisory Agreement. The New Advisory Agreement and the Advisory Agreement are collectively referred to herein as the Advisory Agreement.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

All statements contained herein, other than historical facts, may constitute "forward-looking statements." These statements may relate to, among other things, our future operating results, our business prospects and the prospects of our portfolio companies, actual and potential conflicts of interest with Gladstone Management Corporation (the "Adviser") and its affiliates, the use of borrowed money to finance our investments, the adequacy of our financing sources and working capital, and our ability to co-invest, among other factors. In some cases, you can identify forward-looking statements by terminology such as "estimate," "may," "might," "believe," "will," "provided," "anticipate," "future," "could," "growth," "plan," "project," "intend," "expect," "should," "would," "if," "seek," "possible," "potential," "likely" or the negative or variations of such terms or comparable terminology. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Such factors include: (1) changes in the economy and the capital markets, including stock price volatility, inflation, elevated interest rates and risks of recession; (2) risks associated with negotiation and consummation of pending and future transactions; (3) the loss of one or more of our executive officers, in particular David Gladstone or David Dullum; (4) changes in our investment objectives and strategy; (5) availability, terms (including the possibility of interest rate volatility) and deployment of capital; (6) changes in our industry, interest rates, exchange rates, or the general economy, including inflation; (7) our business prospects and the prospects of our portfolio companies; (8) the degree and nature of our competition; (9) changes in governmental regulation, tax rates and similar matters; (10) our ability to exit investments in a timely manner; (11) our ability to maintain our qualification as a regulated investment company ("RIC") and as a business development company ("BDC"); and (12) those factors described in Item 1A. *"Risk Factors"* herein and the "Risk Factors" sections of our Annual Report on Form 10-K for the fiscal year ended March 31, 2024, filed with the U.S. Securities and Exchange Commission ("SEC") on May 8, 2024 (the "Annual Report"). We caution readers not to place undue reliance on any such forward-looking statements. Actual results could differ materially from those anticipated in our forward-looking statements and future results could differ materially from historical performance. We have based forward-looking statements on information available to us on the date of this Quarterly Report on Form 10-Q (the "Quarterly Report"). Except as required by the federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this Quarterly Report. 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 have filed or in the future may file with the SEC, including subsequent annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. The forward-looking statements contained in this Quarterly Report are excluded from the safe harbor protection provided by the Private Securities Litigation Reform Act of 1995 and Section 27A of the Securities Act of 1933, as amended.

In this Quarterly Report, the "Company," "we," "us," and "our" refer to Gladstone Investment Corporation and its wholly-owned subsidiaries unless the context otherwise indicates. Dollar amounts, except per share amounts, are in thousands, unless otherwise indicated.

The following analysis of our financial condition and results of operations should be read in conjunction with our accompanying *Consolidated Financial Statements* and the notes thereto contained elsewhere in this Quarterly Report and in our Annual Report. Historical financial condition and results of operations and percentage relationships among any amounts in the financial statements are not necessarily indicative of financial condition, results of operations or percentage relationships for any future periods.

OVERVIEW

General

We were incorporated under the General Corporation Law of the State of Delaware on February 18, 2005. We operate as an externally managed, closed-end, non-diversified management investment company and have elected to be treated as a BDC under the Investment Company Act of 1940, as amended (the "1940 Act"). For U.S. federal income tax purposes, we have elected to be treated as a RIC under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). To continue to qualify as a RIC for U.S. federal income tax purposes and obtain favorable RIC tax treatment, we must meet certain requirements, including certain minimum distribution requirements.

We were established for the purpose of investing in debt and equity securities of established private businesses operating in the United States ("U.S."). Our investment objectives are to: (i) achieve and grow current income by investing in debt securities of established businesses that we believe will provide stable earnings and cash flow to pay expenses, make principal and interest payments on our outstanding indebtedness, and make distributions to our stockholders that grow over time; and (ii) provide our stockholders with long-term capital appreciation in the value of our assets by investing in equity securities of established businesses, generally in combination with the aforementioned debt securities, that we believe can grow over time to permit us to sell our equity investments for capital gains. To achieve our objectives, our investment strategy is to invest in several categories of debt and equity securities, with individual investments generally totaling up to $75 million, although investment size may vary depending upon our total assets or available capital at the time of investment. We expect that our investment portfolio over time will consist of approximately 75% in debt investments and 25% in equity investments, at cost. As of December 31, 2024, our investment portfolio was comprised of 76.3% in debt investments and 23.7% in equity investments, at cost.

We focus on investing in lower middle market private businesses (which we generally define as companies with annual earnings before interest, taxes, depreciation and amortization ("EBITDA") of $4 million to $15 million) ("Lower Middle Market") in the U.S. that meet certain criteria, including: the sustainability of the business' free cash flow and its ability to grow it over time, adequate assets for loan collateral, experienced management teams with a significant ownership interest in the portfolio company, reasonable capitalization of the portfolio company, including an ample equity contribution or cushion based on prevailing enterprise valuation multiples, and the potential to realize appreciation and gain liquidity in our equity position, if any. We anticipate that liquidity in our equity position will be achieved through a merger or acquisition of the portfolio company, a public offering of the portfolio company's stock, or, to a lesser extent, by exercising our right to require the portfolio company to repurchase our warrants, though there can be no assurance that we will always have these rights. We invest in portfolio companies that seek funds for management buyouts and/or growth capital to finance acquisitions, recapitalize or, to a lesser extent, refinance their existing debt facilities. We seek to avoid investing in high-risk, early-stage enterprises. Our targeted portfolio companies are generally considered too small for the larger capital marketplace.

We invest by ourselves or jointly with other funds and/or management of the portfolio company, depending on the opportunity. In July 2012, the SEC granted us an exemptive order (the "Co-Investment Order") that expanded our ability to co-invest, under certain circumstances, with certain of our affiliates, including Gladstone Capital Corporation and Gladstone Alternative Income Fund ("Gladstone Alternative") and any future BDC or closed-end management investment company that is advised (or sub-advised if it controls the fund) by the Adviser, or any combination of the foregoing, subject to the conditions in the Co-Investment Order. We believe the Co-Investment Order has enhanced and will continue to enhance our ability to further our investment objectives and strategies. If we are participating in an investment with one or more co-investors, whether or not an affiliate of ours, our investment is likely to be smaller than if we were investing alone.

We are externally managed by the Adviser, an investment adviser registered with the SEC and an affiliate of ours, pursuant to an investment advisory and management agreement (the "Advisory Agreement"). The Adviser manages our investment activities. We have also entered into an administration agreement with Gladstone Administration, LLC, an affiliate of ours and the Adviser, whereby we pay separately for administrative services.

Our shares of common stock, our 5.00% Notes due 2026 ("5.00% 2026 Notes"), our 4.875% Notes due 2028 ("4.875% 2028 Notes"), our 8.00% Notes due 2028 ("8.00% 2028 Notes") and our 7.875% Notes due 2030 ("7.875% 2030 Notes") are traded on the Nasdaq Global Select Market ("Nasdaq") under the trading symbols "GAIN," "GAINN," "GAINZ," "GAINL," and "GAINI," respectively.

Business

Portfolio and Investment Activity

While the business environment remains competitive, we continue to see new investment opportunities consistent with our investment strategy of providing a combination of debt and equity in support of management and independent sponsor-led buyouts of Lower Middle Market companies in the U.S. During the nine months ended December 31, 2024, we invested in four new portfolio companies and exited two portfolio companies. From our initial public offering in June 2005 through December 31, 2024, we have invested in 62 companies, excluding investments in syndicated loans, for a total of approximately $2.0 billion, before giving effect to principal repayments and divestitures.

The majority of the debt securities in our portfolio have a success fee component, which enhances the yield on our debt investments. Unlike paid-in-kind ("PIK") income, we generally do not recognize success fees as income until payment has been received. Due to the contingent nature of success fees, there are no guarantees that we will be able to collect any or all of these success fees or know the timing of any such collections. As a result, as of December 31, 2024, we had unrecognized, contractual success fees of $52.8 million, or $1.43 per common share. Consistent with accounting principles generally accepted in the U.S. ("GAAP"), we have not recognized success fee receivables and related income in our accompanying *Consolidated Financial Statements* until earned.

From inception through December 31, 2024, we exited our investments of 32 portfolio companies that we acquired under our buyout strategy (which excludes investments in syndicated loans). In the aggregate, these sales have generated $332.5 million in net realized gains and $42.0 million in other income upon exit, for a total increase to our net assets of $374.5 million. We believe, in aggregate, these transactions were equity-oriented investment successes and exemplify our investment strategy of striving to achieve returns through current income on the debt portion of our investments and capital gains from the equity portion. The 32 liquidity events have offset any realized losses since inception, which were primarily incurred during the 2008-2009 recession in connection with the sale of performing syndicated loans at a realized loss to pay off a former lender. The successful exits, in part, enabled us to increase the monthly distribution run rate by 100.0% from March 2011 through December 31, 2024, and allowed us to declare and pay 23 supplemental distributions to common stockholders from March 2012 through December 31, 2024.

Capital Raising

We have been able to meet our capital needs through extensions of and increases to the Fifth Amended and Restated Credit Agreement dated April 30, 2013, as amended from time to time (the "Credit Facility"), and by accessing the capital markets in the form of public offerings of unsecured notes, as well as common and preferred stock. We have successfully extended the Credit Facility's revolving period multiple times, most recently to October 2026, and currently have a total commitment amount of $250.0 million (with a potential total commitment of $300.0 million through additional commitments from new or existing lenders). During the nine months ended December 31, 2024, we issued our 7.875% 2030 Notes for gross proceeds of $126.5 million and sold 148,714 shares of our common stock under our common stock "at-the-market" program ("2024 Common Stock ATM Program") for gross proceeds of approximately $2.0 million. During the year ended March 31, 2024, we issued the 8.00% 2028 Notes for gross proceeds of $74.8 million and sold 3,097,162 shares of our common stock under our common stock "at-the-market" program ("2022 Common Stock ATM Program") for gross proceeds of approximately $44.5 million. Refer to "*Liquidity and Capital Resources — Revolving Line of Credit*" for further discussion of the Credit Facility and to "*Liquidity and Capital Resources — Equity — Common Stock*" further discussion of our common stock.

Although we have been able to access the capital markets historically, market conditions may continue to affect the trading price of our common stock and thus our ability to finance new investments through the issuance of common equity. On December 31, 2024, the closing market price of our common stock was $13.25 per share, representing a 0.4% discount to our net asset value ("NAV") of $13.30 per share as of December 31, 2024. When our common stock trades below NAV, our ability to issue additional equity is constrained by provisions of the 1940 Act, which generally prohibits the issuance and sale of our common stock at an issuance price below the then-current NAV per share without stockholder approval, other than through sales to our then-existing stockholders pursuant to a rights offering.

Regulatory Compliance

Our ability to seek external debt financing, to the extent that it is available under current market conditions, is further subject to the asset coverage limitations of the 1940 Act, which require us to have asset coverage (as defined in Sections 18 and 61 of the 1940 Act) of at least 150% on each of our senior securities representing indebtedness and our senior securities that are stock (such as our previously outstanding series of term preferred stock).

On April 10, 2018, our Board of Directors, including a "required majority" (as such term is defined in Section 57(o) of the 1940 Act) thereof, approved the modified asset coverage requirements set forth in Section 61(a)(2) of the 1940 Act. As a result, our asset coverage requirements for senior securities changed from 200% to 150%, effective as of April 10, 2019, one year after the date of the Board of Directors' approval.

As of December 31, 2024, our asset coverage ratio on our senior securities representing indebtedness was 185.9%.

Investment Highlights

Investment Activity

During the nine months ended December 31, 2024, the following significant transactions occurred:

- In May 2024, our remaining shares in Funko Acquisition Holdings, LLC ("Funko") were sold, representing an exit of our investment in Funko, and resulting in a return of our equity cost basis of $21 thousand and a realized gain of $2 thousand.
- In July 2024, we invested an additional $18.5 million through secured first lien debt in Nocturne Luxury Villas, Inc. ("Nocturne") to fund an add-on acquisition.
- In September 2024, we exited our investment in Nth Degree Investment Group, LLC ("Nth Degree"), which resulted in success fee income of $0.1 million, a realized gain on our preferred equity of $42.3 million, and the repayment of our debt investment of $25.0 million.
- In November 2024, we invested $27.2 million in a new portfolio company, Pyrotek Special Effects, Inc. ("Pyrotek"), in the form of $20.1 million of secured first lien debt and $7.1 million of preferred equity. Pyrotek, headquartered in Ontario, Canada, is a leading provider of special effects services and solutions for the live entertainment industry.
- In December 2024, we invested $5.0 million in Gladstone Alternative, one of our affiliated funds, through common equity. Gladstone Alternative is a registered, non-diversified, closed-end management investment company that operates as an interval fund.
- In December 2024, we invested $71.3 million in a new portfolio company, Nielsen-Kellerman, Inc. ("Nielsen-Kellerman"), in the form of $49.1 million of secured first lien debt and $22.2 million of preferred equity. Nielsen-Kellerman, headquartered in Boothwyn, Pennsylvania, designs, manufactures, and distributes a wide range of rugged, waterproof environmental measurement and sports performance instruments.
- In December 2024, we invested $78.7 million in a new portfolio company, Ricardo Defense, Inc. ("Ricardo"), in the form of $61.3 million of secured first lien debt and $17.4 million of preferred equity. Ricardo, headquartered in Troy, Michigan, with operations in California, Texas and Alabama and overseas, develops engineering and product solutions for U.S. Army vehicle and logistics programs.

Distributions and Dividends

- In January 2025, our Board of Directors declared the following monthly cash distributions to common stockholders:

Record Date	Payment Date	Distribution per Common Share
January 24, 2025	January 31, 2025	$ 0.08
February 19, 2025	February 28, 2025	0.08
March 19, 2025	March 31, 2025	0.08
	Total for the Quarter:	**$ 0.24**

Investment Advisory Agreement

On January 24, 2025, the Company entered into a new investment advisory and management agreement (the "New Advisory Agreement") with the Adviser. The New Advisory Agreement, which was approved by the Company's stockholders at a stockholders' meeting on January 4, 2024, was entered into as a result of a change of control of the Adviser pursuant to the previously disclosed voting trust agreement, among David Gladstone, Lorna Gladstone, Laura Gladstone, Kent Gladstone and Jessica Martin, each as a trustee and collectively, as the board of trustees of the voting trust, the Adviser and certain stockholders of the Adviser. There are no changes to the terms, including the fee structure and services to be provided, of the prior Advisory Agreement in the New Advisory Agreement, other than the date and term of the New Advisory Agreement as compared to the prior Advisory Agreement. The New Advisory Agreement and the Advisory Agreement are collectively referred to herein as the Advisory Agreement.

Revolving Line of Credit

On February 10, 2025, we, through our wholly-owned subsidiary Gladstone Business Investment, LLC ("Business Investment"), entered into Amendment No. 10 to the Credit Facility with KeyBank National Association ("KeyBank"), as administrative agent, joint lead arranger and lender, Fifth Third Bank as managing agent, joint lead arranger and lender, the Adviser, as servicer, and certain other lenders party thereto. The Credit Facility was amended to increase the size from $200.0 million to $250.0 million and update certain existing terms. The Credit Facility continues to include customary terms, covenants, events of default and constraints on borrowing availability based on collateral tests for a credit facility of its size and nature.

RESULTS OF OPERATIONS

Comparison of the Three Months Ended December 31, 2024 to the Three Months Ended December 31, 2023

	For the Three Months Ended December 31,			
	2024	**2023**	**$ Change**	**% Change**
INVESTMENT INCOME				
Interest income	**$ 20,528**	$ 21,699	$ (1,171)	(5.4)%
Dividend and success fee income	**843**	1,382	(539)	(39.0)%
Total investment income	**21,371**	23,081	(1,710)	(7.4)%
EXPENSES				
Base management fee	**4,872**	4,602	270	5.9 %
Loan servicing fee	**2,405**	2,332	73	3.1 %
Incentive fee	**9,353**	1,667	7,686	461.1 %
Administration fee	**405**	450	(45)	(10.0)%
Interest expense	**6,385**	6,520	(135)	(2.1)%
Amortization of deferred financing costs and discounts	**691**	589	102	17.3 %
Other	**1,355**	1,302	53	4.1 %
Expenses before credits from Adviser	**25,466**	17,462	8,004	45.8 %
Credits to fees from Adviser	**(5,256)**	(4,125)	(1,131)	27.4 %
Total expenses, net of credits to fees	**20,210**	13,337	6,873	51.5 %
NET INVESTMENT INCOME	**1,161**	9,744	(8,583)	(88.1)%
REALIZED AND UNREALIZED GAIN (LOSS)				
Net realized gain	**—**	43,461	(43,461)	(100.0)%
Net unrealized appreciation (depreciation)	**37,329**	(46,626)	83,955	NM
Net realized and unrealized gain (loss)	**37,329**	(3,165)	40,494	NM
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	**$ 38,490**	$ 6,579	$ 31,911	485.0 %
WEIGHTED-AVERAGE SHARES OF COMMON STOCK OUTSTANDING				
Basic and diluted	**36,727,873**	34,351,597	2,376,276	6.9 %
BASIC AND DILUTED PER COMMON SHARE:				
Net investment income	**$ 0.03**	$ 0.28	$ (0.25)	(89.3)%
Net increase in net assets resulting from operations	**$ 1.05**	$ 0.19	$ 0.86	452.6 %

NM - Not meaningful

Investment Income

Total investment income decreased $1.7 million, or 7.4%, for the three months ended December 31, 2024, as compared to the prior year period, primarily due to a decrease in interest income, and dividend and success fee income.

Interest income from our investments in debt securities decreased $1.2 million, or 5.4%, for the three months ended December 31, 2024, as compared to the prior year period. Generally, the level of interest income from investments is directly related to the weighted-average principal balance of our interest-bearing investment portfolio outstanding during the period, multiplied by the weighted-average yield.

The weighted-average principal balance of our interest-bearing investment portfolio during the three months ended December 31, 2024was $579.7 million, compared to $594.3 million for the prior year period. This decrease was primarily due to $61.5 million of pay-offs, restructurings, or write-offs of debt investments and $30.8 million of loans placed on non-accrual status after September 30, 2023, partially offset by $68.0 million of follow-on debt investments in existing portfolio companies and the origination of $20.5 million of new debt investments after September 30, 2023, and their respective impact on the weighted-average principal balance when considering timing of new investments, pay-offs, restructurings, write-offs, and accrual status changes, as applicable.

The weighted-average yield on our interest-bearing investments, excluding cash and cash equivalents and receipts recorded as dividend and success fee income, was 14.0% for the three months ended December 31, 2024, compared to 14.4% for the prior year period. The weighted-average yield may vary from period to period, based on the current stated interest rate on interest-bearing investments, coupled with any collection of past due interest during the period.

As of December 31, 2024, our loans to B+T Group Acquisition, Inc. ("B+T"), Diligent Delivery Systems ("Diligent"), Edge Adhesives Holdings, Inc. ("Edge"), and J.R. Hobbs Co. – Atlanta, LLC ("J.R. Hobbs") were on non-accrual status, with an aggregate debt cost basis of $90.0 million. As of December 31, 2023, our loans to Edge, J.R. Hobbs and The Mountain Corporation were on non-accrual status, with an aggregate debt cost basis of $66.9 million.

As of December 31, 2024, Nocturne represented 10.9% of the total investment portfolio at fair value. As of March 31, 2024, SFEG Holdings, Inc. ("SFEG") represented 10.1% of the total investment portfolio at fair value.

Dividend and success fee income for the three months ended December 31, 2024 decreased $0.5 million from the prior year period. During the three months ended December 31, 2024, dividend and success fee income consisted of $0.8 million of success fee income. During the three months ended December 31, 2023, dividend and success fee income consisted of $1.4 million of success fee income.

Expenses

Total expenses, net of any non-contractual, unconditional, and irrevocable credits from the Adviser, increased $6.9 million, or 51.5%, during the three months ended December 31, 2024, as compared to the prior year period, primarily due to an increase in incentive fees and base management fee, partially offset by an increase in fee credits from the Adviser.

In accordance with GAAP, during the three months ended December 31, 2024, we recorded a $7.5 million capital gains-based incentive fee compared to a $0.6 million reversal during the three months ended December 31, 2023. The capital gains-based incentive fee is a result of the net impact of net realized gains and net unrealized appreciation (depreciation) on investments during the respective periods. The income-based incentive fee decreased by $0.4 million, for the three months ended December 31, 2024, as compared to the prior year period, primarily due to a decrease in pre-incentive fee net investment income, partially offset by a decrease in net assets, which drives the hurdle rate.

The base management fee, loan servicing fee, incentive fee, and their related non-contractual, unconditional, and irrevocable credits are computed quarterly, as described under *"Transactions with the Adviser"* in Note 4 — *Related Party Transactions* in the accompanying *Notes to Consolidated Financial Statements* and are summarized in the following table:

	Three Months Ended December 31,	
	2024	**2023**
Average total assets subject to base management fee[A]	**$ 974,400**	$ 920,400
Multiplied by prorated annual base management fee of 2.0%	**0.5 %**	0.5 %
Base management fee[B]	**$ 4,872**	$ 4,602
Credits to fees from Adviser - other[B]	**(2,851)**	(1,793)
Net base management fee	**$ 2,021**	$ 2,809
Loan servicing fee[B]	**$ 2,405**	$ 2,332
Credits to base management fee - loan servicing fee[B]	**(2,405)**	(2,332)
Net loan servicing fee	**$ —**	$ —
Incentive fee – income-based	**$ 1,887**	$ 2,282
Incentive fee – capital gains-based[C]	**7,466**	(615)
Total incentive fee[B]	**$ 9,353**	$ 1,667
Credits to fees from Adviser - other[B]	**—**	—
Net total incentive fee	**$ 9,353**	$ 1,667

[A] Average total assets subject to the base management fee is defined in the Advisory Agreement as total assets, including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings, valued at the end of the applicable quarters within the respective periods and adjusted appropriately for any share issuances or repurchases during the periods.

[B] Reflected as a line item on our *Consolidated Statements of Operations*.

[C] The capital gains-based incentive fees are recorded in accordance with GAAP and do not necessarily reflect amounts contractually due under the terms of the Advisory Agreement.

Interest expense decreased $0.1 million, or 2.1%, during the three months ended December 31, 2024, as compared to the prior year period, primarily due to decreased borrowings on the Credit Facility, partially offset by an increase in the effective interest rate. The weighted-average balance outstanding under the Credit Facility during the three months ended December 31, 2024 was $41.9 million, compared to $77.4 million in the prior year period. The effective interest rate on the Credit Facility, excluding the impact of deferred financing costs, during the three months ended December 31, 2024 was 11.8%, as compared to 9.2% in the prior year period. The increase in the effective interest rate on the Credit Facility was primarily a result of an increase in unused commitment fees on the undrawn portion of the Credit Facility, partially offset by lower interest rates on the drawn portion of the Credit Facility during the three months ended December 31, 2024.

Realized and Unrealized Gain (Loss)

The realized gains (losses) and unrealized appreciation (depreciation) across our investments for the three months ended December 31, 2024 and 2023 were as follows:

	Three Months Ended December 31, 2024			
Portfolio Company	**Realized Gain (Loss)**	**Unrealized Appreciation (Depreciation)**	**Reversal of Unrealized (Appreciation) Depreciation**	**Net Gain (Loss)**
Nocturne Luxury Villas, Inc.	$ —	$ 13,680	$ —	$ 13,680
The E3 Company, LLC	—	11,895	—	11,895
SFEG Holdings, Inc.	—	8,445	—	8,445
Schylling, Inc.	—	4,773	—	4,773
ImageWorks Display and Marketing Group, Inc.	—	3,269	—	3,269
UPB Acquisition, Inc.	—	2,063	—	2,063
J.R. Hobbs Co. - Atlanta, LLC	—	1,635	—	1,635
Brunswick Bowling Products, Inc.	—	1,488	—	1,488
Old World Christmas, Inc.	—	1,350	—	1,350
Ginsey Home Solutions, Inc.	—	1,189	—	1,189
The Maids International, LLC	—	1,101	—	1,101
Mason West, LLC	—	(1,671)	—	(1,671)
Horizon Facilities Services, Inc.	—	(1,725)	—	(1,725)
Galaxy Technologies Holdings, Inc.	—	(2,051)	—	(2,051)
PSI Molded Plastics, Inc.	—	(2,707)	—	(2,707)
Educators Resource, Inc.	—	(6,008)	—	(6,008)
Other, net (<$1.0 million, net)	—	603	—	603
Total	**$ —**	**$ 37,329**	**$ —**	**$ 37,329**

	Three Months Ended December 31, 2023			
Portfolio Company	**Realized Gain (Loss)**	**Unrealized Appreciation (Depreciation)**	**Reversal of Unrealized (Appreciation) Depreciation**	**Net Gain (Loss)**
Dema/Mai Holdings, Inc.	$ —	$ 5,655	$ —	$ 5,655
Nth Degree Investment Group, LLC	—	3,274	—	3,274
Educators Resources, Inc.	—	2,229	—	2,229
Brunswick Bowling Products, Inc.	—	1,319	—	1,319
ImageWorks Display and Marketing Group, Inc.	—	1,205	—	1,205
Counsel Press, Inc.	43,459	—	(43,566)	(107)
Horizon Facilities Service, Inc.	—	(1,204)	—	(1,204)
Home Concepts Acquisition, Inc.	—	(1,565)	—	(1,565)
Nocturne Villas Rentals, Inc.	—	(2,420)	—	(2,420)
Mason West, LLC	—	(2,484)	—	(2,484)
PSI Molded Plastics, Inc.	—	(4,401)	—	(4,401)
B+T Group Acquisition, Inc.	—	(4,811)	—	(4,811)
Other, net (<$1.0 million, net)	2	235	—	237
Total	**$ 43,461**	**$ (2,968)**	**$ (43,566)**	**$ (3,073)**

Net Realized Gain (Loss)

During the three months ended December 31, 2024, we did not record any net realized gains or losses on investments. During the three months ended December 31, 2023, we recorded net realized gains on investments of $43.5 million, due to a $43.5 million realized gain from the exit of Counsel Press, Inc. ("Counsel Press").

Net Unrealized Appreciation (Depreciation)

Net unrealized appreciation of investments of $37.3 million for the three months ended December 31, 2024 was primarily due to an increase in the performance of certain of our portfolio companies and an increase in transaction multiples used to estimate the fair value of certain of our portfolio companies, in addition to increased performance of certain of our other portfolio companies. These increases were partially offset by decreased performance of certain of our other portfolio companies.

Net unrealized depreciation of investments of $46.5 million for the three months ended December 31, 2023 was primarily due to the reversal of unrealized appreciation of Counsel Press upon exit, a decrease in transaction multiples used to estimate the fair value of certain of our portfolio companies and a decrease in performance of certain of our portfolio companies. These decreases were partially offset by increased performance of certain of our other portfolio companies.

Across our entire investment portfolio, we recorded net unrealized appreciation of$39.5 million on our equity positions and net unrealized depreciation of $2.2 million on our debt positions for the three months ended December 31, 2024. As of December 31, 2024, the fair value of our investment portfolio was more than the cost basis by $50.5 million, as compared to September 30, 2024, when the fair value of our investment portfolio was more than the cost basis by $13.2 million, representing net unrealized appreciation of $37.3 million for the three months ended December 31, 2024. Our entire portfolio had a fair value of 104.9% of cost as ofDecember 31, 2024.

Comparison of the Nine Months Ended December 31, 2024 to the Nine Months Ended December 31, 2023

	For the Nine Months Ended December 31,			
	2024	**2023**	**$ Change**	**% Change**
INVESTMENT INCOME				
Interest income	**$ 62,149**	$ 60,369	$ 1,780	2.9 %
Dividend and success fee income	**3,965**	3,289	676	20.6 %
Total investment income	**66,114**	63,658	2,456	3.9 %
EXPENSES				
Base management fee	**13,937**	12,874	1,063	8.3 %
Loan servicing fee	**6,821**	6,829	(8)	(0.1)%
Incentive fee	**7,797**	15,401	(7,604)	(49.4)%
Administration fee	**1,478**	1,306	172	13.2 %
Interest expense	**19,264**	17,598	1,666	9.5 %
Amortization of deferred financing costs and discounts	**1,951**	1,708	243	14.2 %
Other	**4,968**	3,434	1,534	44.7 %
Expenses before credits from Adviser	**56,216**	59,150	(2,934)	(5.0)%
Credits to fees from Adviser	**(10,968)**	(11,946)	978	(8.2)%
Total expenses, net of credits to fees	**45,248**	47,204	(1,956)	(4.1)%
NET INVESTMENT INCOME	**20,866**	16,454	4,412	26.8 %
REALIZED AND UNREALIZED GAIN (LOSS)				
Net realized gain	**42,305**	44,905	(2,600)	(5.8)%
Net unrealized (depreciation) appreciation	**(15,725)**	1,362	(17,087)	NM
Net realized and unrealized gain (loss)	**26,580**	46,267	(19,687)	(42.6)%
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	**$ 47,446**	$ 62,721	$ (15,275)	(24.4)%
WEIGHTED-AVERAGE SHARES OF COMMON STOCK OUTSTANDING				
Basic and diluted	**36,701,783**	33,921,300	2,780,483	8.2 %
BASIC AND DILUTED PER COMMON SHARE:				
Net investment income	**$ 0.57**	$ 0.49	$ 0.08	16.3 %
Net increase in net assets resulting from operations	**$ 1.29**	$ 1.85	$ (0.56)	(30.3)%

NM = Not Meaningful

Investment Income

Total investment income increased $2.5 million, or 3.9%, for the nine months ended December 31, 2024, as compared to the prior year period, primarily due to an increase in interest income, and dividend and success fee income.

Interest income from our investments in debt securities increased $1.8 million, or 2.9%, for the nine months ended December 31, 2024, as compared to the prior year period. Generally, the level of interest income from investments is directly related to the principal balance of our interest-bearing investment portfolio outstanding during the period, multiplied by the weighted-average yield.

The weighted-average principal balance of our interest-bearing investment portfolio during the nine months ended December 31, 2024 was $576.1 million, compared to $544.6 million for the prior year period. This increase was primarily due to $116.4 million of follow-on debt investments in existing portfolio companies, the origination of $67.3 million of new debt investments, partially offset by $61.5 million of pay-offs, restructurings, or write-offs of debt investments and $30.8 million of loans placed on non-accrual status after March 31, 2023, and their respective impact on the weighted-average principal balance when considering timing of new investments, pay-offs, restructurings, write-offs, and accrual status changes, as applicable.

The weighted-average yield on our interest-bearing investments, excluding cash and cash equivalents and receipts recorded as dividend and success fee income, was 14.3% for the nine months ended December 31, 2024, compared to 14.5% for the prior year period. The weighted-average yield may vary from period to period, based on the current stated interest rate on interest-bearing investments, coupled with any collection of past due interest during the period. During the nine months ended December 31, 2024 and 2023, we had no collections of past due interest.

As of December 31, 2024, our loans to B+T, Diligent, Edge, and J.R. Hobbs were on non-accrual status, with an aggregate debt cost basis of $90.0 million. As of December 31, 2023, our loans to Edge, J.R. Hobbs and The Mountain were also on non-accrual status, with an aggregate debt cost basis of $66.9 million.

As of December 31, 2024, Nocturne represented 10.9% of the total investment portfolio at fair value. As of March 31, 2024, SFEG represented 10.1% of the total investment portfolio at fair value.

Dividend and success fee income for the nine months ended December 31, 2024 increased $0.7 million, or 20.6% from the prior year period. During the nine months ended December 31, 2024, dividend and success fee income consisted of $2.5 million of success fee income and $1.4 million of dividend income. During the nine months ended December 31, 2023, dividend and success fee income consisted of $1.9 million of dividend income and $1.4 million of success fee income.

Expenses

Total expenses, net of any non-contractual, unconditional, and irrevocable credits from the Adviser, decreased $2.0 million, or 4.1%, during the nine months ended December 31, 2024, as compared to the prior year period, primarily due to a decrease in incentive fees, partially offset by an increase in interest expense, other expense and base management fee and a decrease in fee credits from the Adviser.

In accordance with GAAP, we recorded a $5.3 million capital gains-based incentive fee during the nine months ended December 31, 2024, compared to a $9.3 million capital gains-based incentive fee recorded during the nine months ended December 31, 2023. The capital gains-based incentive fee was a result of the net impact of net realized gains and net unrealized appreciation (depreciation) on investments during the respective periods. The income-based incentive fee decreased by $3.7 million for the nine months ended December 31, 2024, as compared to the prior year period, primarily due to a decrease in pre-incentive fee net investment income and an increase in net assets, which drives the hurdle rate.

The base management fee, loan servicing fee, incentive fee, and their related non-contractual, unconditional, and irrevocable credits are computed quarterly, as described under *"Transactions with the Adviser"* in Note 4 — *Related Party Transactions* in the accompanying *Notes to Consolidated Financial Statements* and are summarized in the following table:

	Nine Months Ended December 31,	
	2024	**2023**
Average total assets subject to base management fee[A]	**$ 929,133**	$ 858,267
Multiplied by prorated annual base management fee of 2.0%	**1.5 %**	1.5 %
Base management fee[B]	**$ 13,937**	$ 12,874
Credits to fees from Adviser - other[B]	**(4,147)**	(5,117)
Net base management fee	**$ 9,790**	$ 7,757
Loan servicing fee[B]	**$ 6,821**	$ 6,829
Credits to base management fee - loan servicing fee[B]	**(6,821)**	(6,829)
Net loan servicing fee	**$ —**	$ —
Incentive fee – income-based	**$ 2,481**	$ 6,142
Incentive fee – capital gains-based[C]	**5,316**	9,259
Total incentive fee[B]	**$ 7,797**	$ 15,401
Credits to fees from Adviser - other[B]	**—**	—
Net total incentive fee	**$ 7,797**	$ 15,401

(A) Average total assets subject to the base management fee is defined in the Advisory Agreement as total assets, including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings, valued at the end of the applicable quarters within the respective periods and adjusted appropriately for any share issuances or repurchases during the periods.

(B) Reflected as a line item on our *Consolidated Statements of Operations*.

(C) The capital gains-based incentive fees are recorded in accordance with GAAP and do not necessarily reflect amounts contractually due under the terms of the Advisory Agreement.

Interest expense increased $1.7 million, or 9.5%, during the nine months ended December 31, 2024, as compared to the prior year period, primarily due to interest expense related to the 8.00% 2028 Notes issued in May 2023 and an increase in the effective interest rate, partially offset by decreased borrowings on the Credit Facility. The weighted-average balance outstanding on the Credit Facility during the nine months ended December 31, 2024 was $55.8 million as compared to $57.1 million in the prior year period. The effective interest rate on the Credit Facility, excluding the impact of deferred financing costs, during the nine months ended December 31, 2024 was 11.1%, as compared to 10.2% in the prior year period. The increase in the effective interest rate on the Credit Facility was primarily a result of an increase in unused commitment fees on the undrawn portion of the Credit Facility during the nine months ended December 31, 2024.

Other expenses increased $1.5 million, or 44.7%, during the nine months ended December 31, 2024, as compared to the prior year period, due to an increase in bad debt expense and professional fees.

Realized and Unrealized Gain (Loss)

The realized gains (losses) and unrealized appreciation (depreciation) across our investments for the nine months ended December 31, 2024 and 2023 were as follows:

	Nine Months Ended December 31, 2024			
Portfolio Company	**Realized Gain (Loss)**	**Unrealized Appreciation (Depreciation)**	**Reversal of Unrealized (Appreciation) Depreciation**	**Net Gain (Loss)**
Nocturne Luxury Villas, Inc.	$ —	$ 18,668	$ —	$ 18,668
The E3 Company, LLC	—	17,103	—	17,103
SFEG Holdings, Inc.	—	8,139	—	8,139
Schylling, Inc.	—	7,804	—	7,804
Old World Christmas, Inc.	—	6,084	—	6,084
UPB Acquisition, Inc.	—	5,049	—	5,049
ImageWorks Display and Marketing Group, Inc.	—	3,932	—	3,932
Ginsey Home Solutions, Inc.	—	3,574	—	3,574
J.R. Hobbs Co. - Atlanta, LLC	—	2,984	—	2,984
The Maids International, LLC	—	2,352	—	2,352
Dema/Mai Holdings, Inc.	—	1,272	—	1,272
Diligent Delivery Systems	—	(986)	—	(986)
Home Concepts Acquisition, Inc.	—	(1,238)	—	(1,238)
B+T Group Acquisition, Inc.	—	(2,303)	—	(2,303)
Edge Adhesives Holdings, Inc.	—	(2,402)	—	(2,402)
Nth Degree Investment Group, LLC	42,284	(7,195)	(38,028)	(2,939)
PSI Molded Plastics, Inc.	—	(4,474)	—	(4,474)
Educators Resource, Inc.	—	(5,507)	—	(5,507)
Mason West, LLC	—	(10,285)	—	(10,285)
Horizon Facilities Services, Inc.	—	(19,888)	—	(19,888)
Other, net (<$1.0 million, net)	21	(384)	4	(359)
Total	**$ 42,305**	**$ 22,299**	**$ (38,024)**	**$ 26,580**

	Nine Months Ended December 31, 2023			
Portfolio Company	**Realized Gain (Loss)**	**Unrealized Appreciation (Depreciation)**	**Reversal of Unrealized (Appreciation) Depreciation**	**Net Gain (Loss)**
Counsel Press, Inc.	$ 43,459	$ 22,676	$ (43,566)	$ 22,569
Nth Degree Investment Group, LLC	—	15,951	—	15,951
Educators Resource, Inc.	—	12,792	—	12,792
Brunswick Bowling Products, Inc.	—	9,630	—	9,630
Mason West, LLC	—	9,206	—	9,206
SFEG Holdings, Inc.	—	7,325	—	7,325
Dema/Mai Holdings, Inc.	—	3,780	—	3,780
Galaxy Technologies Holdings, Inc.	—	3,539	—	3,539
The Maids International, LLC	—	3,190	—	3,190
Utah Pacific Bridge & Steel, Ltd.	—	1,833	—	1,833
Ginsey Home Solutions, Inc.	—	1,476	—	1,476
Gladstone SOG Investments, Inc.	882	—	(93)	789
J.R. Hobbs Co. - Atlanta, LLC	—	(741)	—	(741)
Nocturne Luxury Villas, Inc.	—	(806)	—	(806)
Old World Christmas, Inc.	273	(1,394)	—	(1,121)
Diligent Delivery Systems	—	(1,207)	—	(1,207)
Home Concepts Acquisition, Inc.	—	(1,565)	—	(1,565)
PSI Molded Plastics, Inc.	—	(5,635)	—	(5,635)
Horizon Facilities Services, Inc.	—	(6,963)	—	(6,963)
Schylling, Inc.	—	(8,546)	—	(8,546)
ImageWorks Display and Marketing Group, Inc.	—	(9,071)	—	(9,071)
B+T Group Acquisition, Inc.	—	(10,107)	—	(10,107)
Other, net (<$1.0 million, net)	291	(313)	—	(22)
Total	**$ 44,905**	**$ 45,050**	**$ (43,659)**	**$ 46,296**

Net Realized Gain (Loss)

During the nine months ended December 31, 2024, we recorded net realized gains on investments of $42.3 million, primarily due to a $42.3 million realized gain from the exit of Nth Degree. During the nine months ended December 31, 2023, we recorded net realized gains on investments of $44.9 million, primarily due to a $43.5 million realized gain from the exit of Counsel Press, $1.2 million of realized gains related to certain prior period exits and $0.3 million of realized gain from the recapitalization of Old World.

Net Unrealized Appreciation (Depreciation)

Net unrealized depreciation of investments of $15.7 million for the nine months ended December 31, 2024 was primarily due to the reversal of unrealized appreciation of Nth Degree upon exit and decreased performance of certain of our portfolio companies. These decreases were partially offset by an increase in transaction multiples used to estimate the fair value of certain of our portfolio companies and increased performance of certain of our portfolio companies.

Net unrealized appreciation of investments of $1.4 million for the nine months ended December 31, 2023 was primarily due to increased performance of certain of our portfolio companies and an increase in transaction multiples used to estimate the fair value of certain of our portfolio companies. These increases were partially offset by a reversal of unrealized appreciation of Counsel Press upon exit and decreased performance of certain of our other portfolio companies.

Across our entire investment portfolio, we recorded net unrealizeddepreciation of $27.0 million on our debt positions and appreciation of $11.3 million on ourequity positions, for the nine months ended December 31, 2024. As of December 31, 2024, the fair value of our investment portfolio was more than the cost basis by$50.5 million, as compared to March 31, 2024, when the fair value of our investment portfolio was more than the cost basis by $66.2 million, representing net unrealized depreciation of $15.7 million for the nine months ended December 31, 2024. Our entire portfolio had a fair value of 104.9% of cost as ofDecember 31, 2024.

LIQUIDITY AND CAPITAL RESOURCES

Operating Activities

Net cash used in operating activities for the nine months ended December 31, 2024 was $96.4 million compared to net cash used in operating activities of $75.7 million for the nine months ended December 31, 2023. This change was primarily due to an increase in purchases of investments.

Purchases of investments were $207.2 million during the nine months ended December 31, 2024, compared to $183.0 million during the nine months ended December 31, 2023. Aggregate net proceeds from the sale and recapitalization of investments and principal repayments of investments totaled $82.0 million during the nine months ended December 31, 2024, compared to $79.7 million during the nine months ended December 31, 2023.

As of December 31, 2024, we had equity investments in and/or loans to 26 portfolio companies with an aggregate cost basis of $1.0 billion. As of December 31, 2023, we had equity investments in and/or loans to 25 portfolio companies with an aggregate cost basis of $868.5 million.

The following table summarizes our total portfolio investment activity during the nine months ended December 31, 2024 and 2023:

	Nine Months Ended December 31,	
	2024	**2023**
Beginning investment portfolio, at fair value	**$ 920,504**	$ 753,543
New investments	**178,844**	61,258
Disbursements to existing portfolio companies	**28,348**	121,730
Unscheduled principal repayments	**(33,500)**	(27,500)
Net proceeds from sale and recapitalization of investments	**(48,546)**	(52,228)
Net realized gain on investments	**42,305**	44,614
Net unrealized (depreciation) appreciation of investments	**22,299**	45,050
Reversal of net unrealized depreciation (appreciation) of investments	**(38,024)**	(43,659)
Ending investment portfolio, at fair value	**$ 1,072,230**	$ 902,808

The following table summarizes the contractual principal repayment and maturity of our investment portfolio by fiscal year, assuming no voluntary prepayments, as of December 31, 2024:

	Amount
For the remaining three months ending March 31, 2025	$ 49,060
For the fiscal years ending March 31:	
2026	215,780
2027	219,486
2028	66,231
2029	100,394
Thereafter	129,506
Total contractual repayments	**$ 780,457**
Investments in equity securities	241,284
Total cost basis of investments held as of December 31, 2024:	**$ 1,021,741**

Financing Activities

Net cash provided by financing activities for the nine months ended December 31, 2024 was $96.3 million, which consisted primarily o$126.5 million of gross proceeds from the issuance of our 7.875% 2030 Notes, $24.5 million of net borrowings under the Credit Facility and $2.0 million of proceeds from issuance of common stock, net of expenses and shelf offering registration costs, partially offset by $52.1 million in distributions to common stockholders and $4.6 million of deferred financing and offering costs.

Net cash provided by financing activities for the nine months ended December 31, 2023 was $76.1 million, which consisted primarily of $74.8 million of gross proceeds from the issuance of our 8.00% 2028 Notes, $47.4 million of net borrowings under the Credit Facility and $25.0 million of proceeds from the issuance of common stock, net of expenses and shelf offering registration costs, partially offset by $67.4 million in distributions to common stockholders and $3.7 million of deferred financing and offering costs.

Distributions and Dividends to Stockholders

Common Stock Distributions

To qualify to be taxed as a RIC and thus avoid corporate level federal income tax on the income we distribute to our stockholders, we are required, among other requirements, to distribute to our stockholders on an annual basis at least 90% of our taxable ordinary income plus the excess of our net short-term capital gains over net long-term capital losses ("Investment Company Taxable Income"), determined without regard to the dividends paid deduction. Additionally, the Credit Facility generally restricts the amount of distributions to stockholders that we can pay out to be no greater than the sum of certain amounts, including our net investment income, plus net capital gains, plus amounts elected by the Company to be considered as having been paid during the prior fiscal year in accordance with Section 855(a) of the Code. In accordance with these requirements, our Board of Directors declared, and we paid, monthly cash distributions of $0.08 per common share for each of the nine months from April through December 2024, and a supplemental distribution of $0.70 per common share paid in October 2024. See also "*Recent Developments - Distributions and Dividends*" for a discussion of cash distributions to common stockholders declared and paid by our Board of Directors in January 2025.

For the fiscal year ended March 31, 2024, Investment Company Taxable Income exceeded distributions declared and paid, and, in accordance with Section 855(a) of the Code, we elected to treat $18.7 million of the first distributions paid subsequent to fiscal year-end as having been paid in the prior year. In addition, for the fiscal year ended March 31, 2024, net capital gains exceeded distributions declared and paid, and, in accordance with Section 855(a) of the Code, we elected to treat $1.4 million of the first distributions paid subsequent to fiscal year-end as having been paid in the prior year. For the year ended March 31, 2024, we recorded $0.8 million of net adjustments for estimated permanent book-tax differences to reflect tax character, which increased Overdistributed net investment income and decreased Accumulated net realized gain in excess of distributions and Capital in excess of par value. For the nine months ended December 31, 2024, we recorded $1.2 million ofnet adjustments for estimated permanent book-tax differences to reflect tax character, which increased Overdistributed net investment income and Accumulated net realized gain in excess of distributions and decreased Capital in excess of par value.

Dividend Reinvestment Plan

Our common stockholders who hold their shares through our transfer agent, Computershare, Inc. ("Computershare"), have the option to participate in a dividend reinvestment plan offered by Computershare, as the plan agent. This is an "opt in" dividend reinvestment plan, meaning that common stockholders may elect to have their cash distributions automatically reinvested in additional shares of our common stock. Common stockholders who do not make such election will receive their distributions in cash. Any distributions reinvested under the plan will be taxable to a common stockholder to the same extent, and with the same character, as if the common stockholder had received the distribution in cash. The common stockholder generally will have an adjusted basis in the additional common shares purchased through the plan equal to the dollar amount that would have been received if the U.S. stockholder had received the dividend or distribution in cash. The additional common shares will have a new holding period commencing on the day following the date on which the shares are credited to the common stockholder's account. Computershare purchases shares in the open market in connection with the obligations under the plan.

Equity

Registration Statement

On February 28, 2024, we filed a registration statement on Form N-2 (File No. 333-277452), which the SEC declared effective on April 18, 2024. The registration statement permits us to issue, through one or more transactions, up to an aggregate of $450.0 million in securities, consisting of common stock, preferred stock, subscription rights, debt securities, and warrants to purchase common stock, preferred stock, or debt securities, including through concurrent, separate offerings of such securities. As of the date of this report, we have the ability to issue up to $321.5 million of the securities registered under the registration statement.

Common Stock

In May 2024, we entered into equity distribution agreements with Oppenheimer & Co., B. Riley Securities, Inc. and Virtu Americas LLC (each a "Sales Agent"), under which we have the ability to issue and sell shares of our common stock, from time to time, through the Sales Agents, up to an aggregate offering price of $75.0 million in the 2024 Common Stock ATM Program. As of December 31, 2024, we had remaining capacity to sell up to an additional $73.0 million of common stock under the 2024 Common Stock ATM Program.

In August 2022, we entered into equity distribution agreements with Oppenheimer & Co. and Virtu Americas LLC (each a "2022 Sales Agent"), under which we had the ability to issue and sell shares of our common stock, from time to time, through the Sales Agents, up to an aggregate offering price of $50.0 million in the 2022 Common Stock ATM Program. In August 2023, we entered into an equity distribution agreement with B. Riley Securities, Inc. and entered into amendments to the agreements with Oppenheimer & Co. Inc. and Virtu Americas LLC to add B. Riley Securities, Inc. as a 2022 Sales Agent for the 2022 Common Stock ATM Program. The 2022 Common Stock ATM Program terminated in connection with our entry into the 2024 Common Stock ATM Program.

During the three and nine months ended December 31, 2024, we sold 148,714 shares of our common stock under the 2024 Common Stock ATM Program, with a weighted-average gross price of $13.64 per share and a weighted-average net price of $13.48 per share after deducting commissions and offering costs borne by us, raising approximately $2.0 million and $2.0 million of gross and net proceeds, respectively. All of these sales were above our then current estimated NAV per share.

During the three months ended December 31, 2023, we sold 1,456,279 shares of common stock under the 2022 Common Stock ATM Program, with a weighted-average gross price of $14.51 per share and a weighted-average net price of $14.28 per share after deducting commissions and offering costs borne by us, raising approximately $21.1 million and $20.8 million of gross and net proceeds, respectively. All of these sales were above our then current estimated NAV per share.

During the nine months ended December 31, 2023, we sold 1,760,449 shares of common stock under the 2022 Common Stock ATM Program, with a weighted-average gross price of $14.34 per share and a weighted-average net price of $14.12 per share after deducting commissions and offering costs borne by us, raising approximately $25.3 million and $24.9 million of gross and net proceeds, respectively. All of these sales were above our then current estimated NAV per share.

We anticipate issuing equity securities to obtain additional capital in the future. However, we cannot determine the timing or terms of any future equity issuances or whether we will be able to issue equity on terms favorable to us, or at all. When our common stock is trading at a price below NAV per share, the 1940 Act places regulatory constraints on our ability to obtain additional capital by issuing common stock. Generally, the 1940 Act provides that we may not issue and sell our common stock at a price below our NAV per common share, other than to our then-existing common stockholders pursuant to a rights offering, without first obtaining approval from our stockholders and our independent directors and meeting other stated requirements. As of December 31, 2024, the closing market price of our common stock was $13.25 per share, representing a 0.4% discount to our NAV per share of $13.30 as of December 31, 2024.

Revolving Line of Credit

We, through our wholly-owned subsidiary, Business Investment, are party to a Credit Facility with KeyBank, as administrative agent, joint lead arranger and lender, Fifth Third Bank as managing agent, joint lead arranger and lender, the Adviser, as servicer, and certain other lenders party thereto. As of December 31, 2024, the Credit Facility provided for maximum borrowings of $200.0 million, with a revolving period end date of October 30, 2026 and a maturity date of October 30, 2028. As of the date of this report, the Credit Facility provides for maximum borrowings of $250.0 million. See "*Overview - Revolving Line of Credit*".

As of December 31, 2024, advances under the Credit Facility generally bore interest at 30-day Term SOFR, subject to a floor of 0.35%, with a SOFR credit spread adjustment of 10 basis points, plus a margin of 3.15% per annum until October 30, 2026, with the margin then increasing to 3.40% for the period from October 30, 2026 to October 30, 2027, and increasing further to 3.65% thereafter. The Credit Facility has an unused commitment fee on the daily unused commitment amount of 0.50% per annum if the daily unused commitment amount is less than or equal to 50% of the total commitment amount, 0.75% per annum if the daily unused commitment amount is greater than 50% but less than or equal to 65% of the total commitment amount, and 1.00% per annum if the daily unused commitment amount is greater than 65% of the total commitment amount.

At December 31, 2024, we had $91.5 million of borrowings outstanding on the Credit Facility and as of the date of this report, we had $89.4 million outstanding under the Credit Facility.

Interest is payable monthly during the term of the Credit Facility. Available borrowings are subject to various constraints and applicable advance rates, which are generally based on the size, characteristics, and quality of the collateral pledged by Business Investment. The Credit Facility also requires that any interest and principal payments on pledged loans be remitted directly by the borrower into a lockbox account with KeyBank. KeyBank is also the trustee of the account and generally remits the collected funds to us once a month.

Among other things, the Credit Facility contains covenants that require Business Investment to maintain its status as a separate legal entity, prohibit certain significant corporate transactions (such as mergers, consolidations, liquidations or dissolutions) and restrict certain material changes to our credit and collection policies without the lenders' consent. The Credit Facility also generally seeks to restrict distributions to stockholders to the sum of (i) our net investment income, (ii) net capital gains, and (iii) amounts deemed by the Company to be considered as having been paid during the prior fiscal year in accordance with Section 855(a) of the Code. Loans eligible to be pledged as collateral are subject to certain limitations, including, among other things, restrictions on geographic concentrations, industry concentrations, loan size, payment frequency and status, average life, portfolio company leverage, and lien property. The Credit Facility also requires Business Investment to comply with other financial and operational covenants, which obligate Business Investment to, among other things, maintain certain financial ratios, including asset and interest coverage and a minimum number of obligors required in the borrowing base. Additionally, the Credit Facility contains a performance guaranty that requires the Company to maintain (i) a minimum net worth of the greater of $210.0 million or $210.0 million plus 50% of all equity and subordinated debt raised, minus 50% of any equity or subordinated debt redeemed or retired after November 16, 2016, which equated to $412.9 million as of December 31, 2024, (ii) asset coverage with respect to senior securities representing indebtedness of at least 150% (or such percentage as may be set forth in Section 18 of the 1940 Act, as modified by Section 61 of the 1940 Act), and (iii) our status as a BDC under the 1940 Act and as a RIC under the Code. As of December 31, 2024, and as defined in the performance guaranty of the Credit Facility, we had a net worth of $ 943.9 million, asset coverage on our senior securities representing indebtedness of 185.9%, calculated in compliance with the requirements of Sections 18 and 61 of the 1940 Act, and an active status as a BDC and RIC. As of December 31, 2024, we had availability, after adjustments for various constraints based on collateral quality, of $ 108.5 million under the Credit Facility and were in compliance with all covenants under the Credit Facility.

Notes Payable

5.00% Notes due 2026

In March 2021, we completed a public offering of the 5.00% 2026 Notes with an aggregate principal amount of $127.9 million, which resulted in net proceeds of approximately $123.8 million after deducting underwriting discounts, commissions and offering costs borne by us. The 5.00% 2026 Notes are traded under the ticker symbol “GAINN” on Nasdaq. The 5.00% 2026 Notes will mature on May 1, 2026 and may be redeemed in whole or in part at any time or from time to time at the Company’s option. The 5.00% 2026 Notes bear interest at a rate of 5.00% per year (which equates to $6.4 million per year), payable quarterly in arrears.

The indenture relating to the 5.00% 2026 Notes contains certain covenants, including (i) an inability to incur additional debt or issue additional debt or preferred securities unless the Company’s asset coverage meets the threshold specified in the 1940 Act after such borrowing, (ii) an inability to declare any dividend or distribution (except a dividend payable in our stock) on a class of our capital stock or to purchase shares of our capital stock unless the Company’s asset coverage meets the threshold specified in the 1940 Act at the time of (and giving effect to) such declaration or purchase, and (iii) if, at any time, we are not subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), we will provide the holders of the 5.00% 2026 Notes and the trustee with audited annual consolidated financial statements and unaudited interim consolidated financial statements.

The 5.00% 2026 Notes are recorded at the aggregate principal amount, less underwriting discounts, commissions, and offering costs, on our accompanying *Consolidated Statements of Assets and Liabilities*. Total underwriting discounts, commissions, and offering costs related to this offering were $4.1 million, which have been recorded as discounts to the aggregate principal amount on our accompanying *Consolidated Statements of Assets and Liabilities* and are being amortized over the period ending May 1, 2026, the maturity date.

4.875% Notes due 2028

In August 2021, we completed a public offering of the 4.875% 2028 Notes with an aggregate principal amount of $134.6 million, which resulted in net proceeds of approximately $131.3 million after deducting underwriting discounts, commissions and offering costs borne by us. The 4.875% 2028 Notes are traded under the ticker symbol “GAINZ” on Nasdaq. The 4.875% 2028 Notes will mature on November 1, 2028 and may be redeemed in whole or in part at any time or from time to time at the Company’s option. The 4.875% 2028 Notes bear interest at a rate of 4.875% per year (which equates to $6.6 million per year), payable quarterly in arrears.

The indenture relating to the 4.875% 2028 Notes contains certain covenants, including (i) an inability to incur additional debt or issue additional debt or preferred securities unless the Company’s asset coverage meets the threshold specified in the 1940 Act after such borrowing, (ii) an inability to declare any dividend or distribution (except a dividend payable in our stock) on a class of our capital stock or to purchase shares of our capital stock unless the Company’s asset coverage meets the threshold specified in the 1940 Act at the time of (and giving effect to) such declaration or purchase, and (iii) if, at any time, we are not subject to the reporting requirements of the Exchange Act, we will provide the holders of the 4.875% 2028 Notes and the trustee with audited annual consolidated financial statements and unaudited interim consolidated financial statements.

The 4.875% 2028 Notes are recorded at the aggregate principal amount, less underwriting discounts, commissions, and offering costs, on our accompanying *Consolidated Statements of Assets and Liabilities*. Total underwriting discounts, commissions, and offering costs related to this offering were $3.3 million, which have been recorded as discounts to the aggregate principal amount on our accompanying *Consolidated Statements of Assets and Liabilities* and are being amortized over the period ending November 1, 2028, the maturity date.

8.00% Notes due 2028

In May 2023, we completed a public offering of the 8.00% 2028 Notes with an aggregate principal amount of $74.8 million, which resulted in net proceeds of approximately $72.3 million after deducting underwriting discounts, commissions and offering costs borne by us. The 8.00% 2028 Notes are traded under the ticker symbol "GAINL" on Nasdaq. The 8.00% 2028 Notes will mature on August 1, 2028 and may be redeemed in whole or in part at any time or from time to time at the Company's option on or after August 1, 2025. The 8.00% 2028 Notes bear interest at a rate of 8.00% per year (which equates to $6.0 million per year), payable quarterly in arrears.

The indenture relating to the 8.00% 2028 Notes contains certain covenants, including (i) an inability to incur additional debt or issue additional debt or preferred securities unless the Company's asset coverage meets the threshold specified in the 1940 Act after such borrowing, (ii) an inability to declare any dividend or distribution (except a dividend payable in our stock) on a class of our capital stock or to purchase shares of our capital stock unless the Company's asset coverage meets the threshold specified in the 1940 Act at the time of (and giving effect to) such declaration or purchase, and (iii) if, at any time, we are not subject to the reporting requirements of the Exchange Act, we will provide the holders of the 8.00% 2028 Notes and the trustee with audited annual consolidated financial statements and unaudited interim consolidated financial statements.

The 8.00% 2028 Notes are recorded at the aggregate principal amount, less underwriting discounts, commissions, and offering costs, on our accompanying *Consolidated Statements of Assets and Liabilities*. Total underwriting discounts, commissions, and offering costs related to this offering were $2.5 million, which have been recorded as discounts to the aggregate principal amount on our accompanying *Consolidated Statements of Assets and Liabilities* and are being amortized over the period ending August 1, 2028, the maturity date.

7.875% Notes due 2030

In December 2024, we completed a public offering of the 7.875% 2030 Notes with an aggregate principal amount of $126.5 million, which resulted in net proceeds of approximately $122.4 million after deducting underwriting discounts, commissions and offering costs borne by us. The 7.875% 2030 Notes are traded under the ticker symbol "GAINI" on Nasdaq. The 7.875% 2030 Notes will mature on February 1, 2030 and may be redeemed in whole or in part at any time or from time to time at the Company's option on or after February 1, 2027. The 7.875% 2030 Notes bear interest at a rate of 7.875% per year (which equates to $10.0 million per year), payable quarterly in arrears.

The indenture relating to the 7.875% 2030 Notes contains certain covenants, including (i) an inability to incur additional debt or issue additional debt or preferred securities unless the Company's asset coverage meets the threshold specified in the 1940 Act after such borrowing, (ii) an inability to declare any dividend or distribution (except a dividend payable in our stock) on a class of our capital stock or to purchase shares of our capital stock unless the Company's asset coverage meets the threshold specified in the 1940 Act at the time of (and giving effect to) such declaration or purchase, and (iii) if, at any time, we are not subject to the reporting requirements of the Exchange Act, we will provide the holders of the 7.875% 2030 Notes and the trustee with audited annual consolidated financial statements and unaudited interim consolidated financial statements.

The 7.875% 2030 Notes are recorded at the aggregate principal amount, less underwriting discounts, commissions, and offering costs, on our accompanying *Consolidated Statements of Assets and Liabilities*. Total underwriting discounts, commissions, and offering costs related to this offering were $4.1 million, which have been recorded as discounts to the aggregate principal amount on our accompanying *Consolidated Statements of Assets and Liabilities* and are being amortized over the period ending February 1, 2030, the maturity date.

OFF-BALANCE SHEET ARRANGEMENTS

Unlike PIK income, we generally do not recognize success fees as income until payment has been received. Due to the contingent nature of success fees, there are no guarantees that we will be able to collect any or all of these success fees or know the timing of any such collections. As a result, as of December 31, 2024 and March 31, 2024, we had unrecognized, contractual off-balance sheet success fee receivables of $52.8 million and $44.9 million (or approximately $1.43 and $1.23 per common share), respectively, on our debt investments. Consistent with GAAP, we have not recognized success fee receivables and related income in our accompanying *Consolidated Financial Statements* until earned.

CONTRACTUAL OBLIGATIONS

We have line of credit commitments to certain of our portfolio companies that have not been fully drawn. Since these line of credit commitments have expiration dates and we expect many will never be fully drawn, the total line of credit commitment amounts do not necessarily represent future cash requirements. We estimate the fair value of the combined unused line of credit commitments as of December 31, 2024 to be insignificant.

The following table shows our contractual obligations as of December 31, 2024, at cost:

	Payments Due by Period				
Contractual Obligations[A]	**Total**	**Less than 1 Year**	**1-3 Years**	**3-5 Years**	**More than 5 Years**
Credit Facility[B]	$ 91,500	$ —	$ —	$ 91,500	$ —
Notes payable	463,738	—	127,938	209,300	126,500
Interest payments on obligations[C]	136,561	36,757	63,164	35,810	830
Total	**$ 691,799**	**$ 36,757**	**$ 191,102**	**$ 336,610**	**$ 127,330**

(A) Excludes unused line of credit commitments to our portfolio companies in the aggregate principal of $4.8 million.
(B) Principal balance of borrowings outstanding under the Credit Facility, based on the maturity date following the current contractual revolving period end date.
(C) Includes interest payments due on the Credit Facility, 5.00% 2026 Notes, 4.875% 2028 Notes, 8.00% 2028 Notes and 7.875% 2030 Notes, as applicable. The amount of interest payments calculated for purposes of this table was based upon rates and outstanding balances as of December 31, 2024.

Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with GAAP requires management to make estimates and assumptions that affect the reported consolidated amounts of assets and liabilities, including disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reported. Actual results could differ materially from those estimates under different assumptions or conditions. We have identified our investment valuation policy (which has been approved by our Board of Directors) as our most critical accounting policy, which is described in Note 2 — *Summary of Significant Accounting Policies* in the accompanying *Notes to Consolidated Financial Statements* included elsewhere in this Quarterly Report. Additionally, refer to Note 3 — *Investments* in the accompanying *Notes to Consolidated Financial Statements* included elsewhere in this Quarterly Report for additional information regarding fair value measurements and our application of Financial Accounting Standards Board Accounting Standards Codification Topic 820, "*Fair Value Measurements and Disclosures."* We have also identified our revenue recognition policy as a critical accounting policy, which is described in Note 2 — *Summary of Significant Accounting Policies* in the accompanying *Notes to Consolidated Financial Statements* included elsewhere in this Quarterly Report.

Investment Valuation

Credit Monitoring and Risk Rating

The Adviser monitors a wide variety of key credit statistics that provide information regarding our portfolio companies to help us assess credit quality and portfolio performance and, in some instances, are used as inputs in our valuation techniques. Generally, we, through the Adviser, participate in periodic board meetings of our portfolio companies in which we hold board seats and also require them to provide annual audited and monthly unaudited financial statements. Using these statements or comparable information and board discussions, the Adviser calculates and evaluates certain credit statistics.

The Adviser risk rates all of our investments in debt securities. The Adviser does not risk rate equity securities. For loans that have been rated by a SEC-registered Nationally Recognized Statistical Rating Organization ("NRSRO"), the Adviser generally uses the average of two corporate level NRSRO's risk ratings for such security. For all other debt securities, the Adviser uses a proprietary risk rating system. While the Adviser seeks to mirror the NRSRO systems, we cannot provide any assurance that the Adviser's risk rating system will provide the same risk rating as an NRSRO for these securities. The Adviser's risk rating system is used to estimate the probability of default on debt securities and the expected loss, if there is a default. The Adviser's risk rating system uses a scale of 0 to >10, with >10 being the lowest probability of default. It is the Adviser's understanding that most debt securities of Lower Middle Market companies do not exceed the grade of BBB on an NRSRO scale, so there would be no debt securities in the Lower Middle Market that would meet the definition of AAA, AA or A. Therefore, the Adviser's scale begins with the designation >10 as the best risk rating which may be equivalent to a BBB from an NRSRO; however, no assurance can be given that a >10 on the Adviser's scale is equal to a BBB or Baa2 on an NRSRO scale. The Adviser's risk rating system covers both qualitative and quantitative aspects of the business and the securities we hold.

The following table reflects risk ratings for all loans in our portfolio as of December 31, 2024 and March 31, 2024:

Rating	**December 31, 2024**	March 31, 2024
Highest	**9.0**	9.0
Average	**6.9**	6.6
Weighted-average	**7.4**	6.9
Lowest	**3.0**	3.0

Tax Status

We intend to continue to maintain our qualification as a RIC under Subchapter M of the Code for U.S. federal income tax purposes. As a RIC, we generally are not subject to U.S. federal income tax on the portion of our taxable income and gains distributed to our stockholders. To maintain our qualification as a RIC, we must maintain our status as a BDC and meet certain source-of-income and asset diversification requirements. In addition, to qualify to be taxed as a RIC, we must distribute to stockholders at least 90% of our Investment Company Taxable Income, determined without regard to the dividends paid deduction. Our policy generally is to make distributions to our stockholders in an amount up to 100% of Investment Company Taxable Income. We may retain some or all of our net long-term capital gains, if any, and designate them as deemed distributions, or distribute such gains to stockholders in cash. See *"— Liquidity and Capital Resources — Distributions and Dividends to Stockholders."*

In an effort to limit federal excise taxes, we have to distribute to stockholders, during each calendar year, an amount close to the sum of: (1) 98% of our ordinary income for the calendar year, (2) 98.2% of our net capital gains (both long-term and short-term), if any, for the one-year period ending on October 31 of the calendar year, and (3) any income realized, but not distributed, in the preceding period (to the extent that income tax was not imposed on such amounts), less certain reductions, as applicable. Under the RIC Modernization Act, we are permitted to carryforward any capital losses that we may incur for an unlimited period, and such capital loss carryforwards will retain their character as either short-term or long-term capital losses. Our capital loss carryforward balance was $0 as of both December 31, 2024 and March 31, 2024.

Recent Accounting Pronouncements

Refer to Note 2 — *Summary of Significant Accounting Policies* in the accompanying *Notes to Consolidated Financial Statements* included elsewhere in this Quarterly Report for a description of recent accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk includes risks that arise from changes in interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market sensitive instruments. The prices of securities held by us may decline in response to certain events, including those directly involving the companies whose securities are owned by us; conditions affecting the general economy, including public health emergencies; overall market changes; local, regional or global political, social or economic instability; and interest rate fluctuations.

The primary risk we believe we are exposed to is interest rate risk. Because we borrow money to make investments, our net investment income is dependent upon the difference between the rates at which we borrow funds, such as under the Credit Facility (which is variable) and our unsecured notes (which are fixed), and the rates at which we invest those funds. As a result, there can be no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income. We use a combination of debt and equity capital to finance our investing activities. We may use interest rate risk management techniques to limit our exposure to interest rate fluctuations. Such techniques may include various interest rate hedging activities to the extent permitted by the 1940 Act.

We target to have approximately 90% of the loans in our portfolio at variable rates or variable rates with a floor mechanism, and up to approximately 10% at fixed rates. As of December 31, 2024 and March 31, 2024, all of our variable-rate loans have rates associated with the current 30-day SOFR rate, and our total debt investment portfolio consisted of the following breakdown based on the principal balance:

Rates:	**December 31, 2024**	**March 31, 2024**
Variable rates with a floor	**100.0 %**	100.0 %
Fixed rates	— %	— %
Total	**100.0 %**	100.0 %

There have been no material changes in the quantitative and qualitative market risk disclosures during the nine months ended December 31, 2024 from those included in our Annual Report.

ITEM 4. CONTROLS AND PROCEDURES.

a) Evaluation of Disclosure Controls and Procedures

As of December 31, 2024 (the end of the period covered by this report), we, including our chief executive officer and chief financial officer, evaluated the effectiveness, design and operation of our disclosure controls and procedures. Based on that evaluation, our management, including the chief executive officer and chief financial officer, concluded that our disclosure controls and procedures were effective at a reasonable assurance level in timely alerting management, including the chief executive officer and chief financial officer, of material information about us required to be included in periodic SEC filings. However, in evaluation of the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

b) Changes in Internal Control over Financial Reporting

There were no changes in internal controls for the three months ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

From time to time, we may become involved in various investigations, claims and legal proceedings that arise in the ordinary course of our business. Furthermore, third parties may try to seek to impose liability on us in connection with the activities of our portfolio companies. While we do not expect that the resolution of these matters, if they arise, would materially affect our business, financial condition, results of operations or cash flows, resolution will be subject to various uncertainties and could result in the expenditure of significant financial and managerial resources. We are not currently subject to any material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against us.

ITEM 1A. RISK FACTORS.

Our business is subject to certain risks and events that, if they occur, could adversely affect our financial condition and results of operations and the trading price of our securities. For a discussion of these risks, please refer to the section captioned “Item 1A. Risk Factors” in Part I of our Annual Report on Form 10-K for the fiscal year ended March 31, 2024, as filed with the SEC on May 8, 2024. The risks described in our Annual Report are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition and/or operating results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

During the three months ended December 31, 2024, none of our officers or directors adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) ("Rule 10b5-1 trading arrangement") or any “non-Rule 10b5-1 trading arrangement.”

ITEM 6. EXHIBITS

See the exhibit index.

Exhibit	Description
3.1	Amended and Restated Certificate of Incorporation, incorporated by reference to Exhibit A.2 to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-123699), filed May 13, 2005.
3.2	Second Amended and Restated Bylaws, incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 814-00704), filed May 15, 2020.
4.1	Specimen Stock Certificate, incorporated by reference to Exhibit d to Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-123699), filed June 21, 2005.
4.2	Indenture, dated as of May 22, 2020, between Gladstone Investment Corporation and UMB Bank, National Association, as trustee incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 814-00704), filed May 22, 2020.
4.3	Second Supplemental Indenture between Gladstone Investment Corporation and UMB Bank, National Association, dated as of March 2, 2021, incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 814-00704), filed March 2, 2021.
4.4	Third Supplemental Indenture between Gladstone Investment Corporation and UMB Bank, National Association, dated as of August 18, 2021, incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 814-00704), filed August 18, 2021.
4.5	Fourth Supplemental Indenture between Gladstone Investment Corporation and UMB Bank, National Association, dated as of May 31, 2023, incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 814-00704), filed May 31, 2023.
4.6	Fifth Supplemental Indenture between Gladstone Investment Corporation and UMB Bank, National Association, dated as of December 17, 2024, incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 814-00704), filed December 17, 2024.
10.1*	Amendment No. 10 to Fifth Amended and Restated Credit Agreement, dated as of February 10, 2025 by and among Gladstone Business Investment, LLC, as Borrower, Gladstone Management Corporation, as Servicer, KeyBank National Association, as administrative agent, swingline lender, managing agent and lead arranger and certain other lenders party thereto.
31.1*	Certification of Chief Executive Officer pursuant to section 302 of The Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer and Treasurer pursuant to section 302 of The Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer pursuant to section 906 of The Sarbanes-Oxley Act of 2002.
32.2**	Certification of Chief Financial Officer and Treasurer pursuant to section 906 of The Sarbanes-Oxley Act of 2002.
101.INS***	XBRL Instance Document
101.SCH***	XBRL Taxonomy Extension Schema Document
101.CAL***	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB***	XBRL Taxonomy Extension Label Linkbase Document
101.PRE***	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF***	XBRL Definition Linkbase
104	Cover Page Interactive Data File (formatted in iXBRL and contained in Exhibit 101)

* Filed herewith

** Furnished herewith

*** Attached as Exhibit 101 to this Quarterly Report on Form 10-Q are the following materials, formatted in Inline eXtensible Business Reporting Language (iXBRL): (i) the Consolidated Statements of Assets and Liabilities as of December 31, 2024 and March 31, 2024, (ii) the Consolidated Statements of Operations for the three and nine months ended December 31, 2024 and 2023, (iii) the Consolidated Statements of Changes in Net Assets for the three and nine months ended December 31, 2024 and 2023, (iv) the Consolidated Statements of Cash Flows for the nine months ended December 31, 2024 and 2023, (v) the Consolidated Schedules of Investments as of December 31, 2024 and March 31, 2024, and (vi) the Notes to Consolidated Financial Statements.

All other exhibits for which provision is made in the applicable regulations of the SEC are not required under the related instruction or are inapplicable and therefore have been omitted.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GLADSTONE INVESTMENT CORPORATION

By: /s/ Taylor Ritchie
Taylor Ritchie
Chief Financial Officer and Treasurer
(principal financial and accounting officer)

Date: February 12, 2025

EXECUTION VERSION

AMENDMENT NO. 10
TO
FIFTH AMENDED AND RESTATED CREDIT AGREEMENT

THIS AMENDMENT NO. 10 TO FIFTH AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment") dated as of February 10, 2025, is entered into among GLADSTONE BUSINESS INVESTMENT, LLC, as Borrower (the "Borrower"), GLADSTONE MANAGEMENT CORPORATION, as Servicer (the "Servicer"), the Managing Agents party hereto, the Joint Lead Arrangers party hereto, the Lenders party hereto, and KEYBANK NATIONAL ASSOCIATION ("KeyBank"), as Administrative Agent (in such capacity, the "Administrative Agent"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the "Credit Agreement" referred to below.

PRELIMINARY STATEMENTS

A. Reference is made to that certain Fifth Amended and Restated Credit Agreement dated as of April 30, 2013 by and among the Borrower, the Servicer, the Lenders and Managing Agents parties thereto from time to time and the Administrative Agent, (as amended, modified or restated from time to time, the "Credit Agreement").

B. The Borrower has requested that KeyBank and Fifth Third Bank, National Association (together, the "Increasing Lenders") increase their Commitments.

C. The Borrower, the Lenders party hereto, the Managing Agents party hereto and the Administrative Agent desire to amend the Credit Agreement as set forth herein subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises set forth above, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Amendments to the Credit Agreement. Upon satisfaction of the conditions precedent set forth in Section 3 hereof:

(a) The Credit Agreement is hereby amended as shown in the conformed copy thereof attached hereto as Exhibit A. In Exhibit A hereto, deletions of text in the Credit Agreement are indicated by struck-through text (indicated in the same manner as the following example: ~~stricken text~~) and insertions of text are indicated by bold, double-underlined text (indicated in the same manner as the following example: double-underlined text) as set forth on Exhibit A hereto; and

(b) Schedule I to the Credit Agreement is hereby amended and restated in its entirety as set forth on Exhibit B attached hereto.

SECTION 2. Representations and Warranties. The Borrower and the Servicer each hereby represents and warrants, as of the Effective Date, to each of the other parties hereto, that:

(a) this Amendment constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject to enforcement of bankruptcy, insolvency, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles; and

(b) on the date hereof, before and immediately after giving effect to this Amendment, no Early Termination Event, Unmatured Termination Event or Servicer Termination Event has occurred and is continuing.

SECTION 3. Conditions Precedent. This Amendment shall become effective on the first Business Day (the "Effective Date") on which:

(a) the Administrative Agent or its counsel has received counterpart signature pages of this Amendment, executed by each of the parties hereto;

(b) an amended and restated Note, executed by the Borrower in favor of each Increasing Lender, in an aggregate amount equal to the "Commitment" of such Increasing Lender; and

(c) Each Increasing Lender shall have received any fees payable under and pursuant to the applicable Fee Letter executed on even date herewith.

SECTION 4. Reference to and Effect on the Transaction Documents.

(a) Upon the effectiveness of this Amendment, (i) each reference in the Credit Agreement to "this Credit Agreement", "this Agreement", "hereunder", "hereof", "herein" or words of like import shall mean and be a reference to the Credit Agreement as amended or otherwise modified hereby, and (ii) each reference to the Credit Agreement in any other Transaction Document or any other document, instrument or agreement executed and/or delivered in connection therewith, shall mean and be a reference to the Credit Agreement as amended or otherwise modified hereby.

(b) Except as specifically amended, terminated or otherwise modified above, the terms and conditions of the Credit Agreement, of all other Transaction Documents and any other documents, instruments and agreements executed and/or delivered in connection therewith, and the liens granted thereunder, shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent, any Managing Agent or any Lender under the Credit Agreement or any other Transaction Document or any other document, instrument or agreement executed in connection therewith, nor constitute a waiver of any provision contained therein, in each case except as specifically set forth herein.

SECTION 5. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together

which so executed and delivered shall be deemed to be an original and all of which taken together

shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by electronic mail or facsimile copy shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 6. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 7. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

SECTION 8. Fees and Expenses. The Borrower hereby confirms its agreement to pay on demand all reasonable out-of-pocket costs and expenses of the Administrative Agent, Managing Agents or Lenders in connection with the preparation, execution and delivery of this Amendment and any of the other instruments, documents and agreements to be executed and/or delivered in connection herewith, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel to the Administrative Agent, Managing Agents or Lenders with respect thereto.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective officers as of the date first above written.

GLADSTONE BUSINESS INVESTMENT, LLC

By: /s/ Taylor Ritchie
Name: Taylor Ritchie
Title: Chief Financial Officer

GLADSTONE MANAGEMENT CORPORATION

By: /s/ David Gladstone
Name: David Gladstone
Title: Chief Executive Officer

KEYBANK NATIONAL ASSOCIATION, as Administrative Agent, a Joint Lead Arranger, a Managing Agent and a Lender

By: /s/ Richard Andersen
Name: Richard Andersen
Title: Senior Vice President

FIFTH THIRD BANK, NATIONAL ASSOCIATION, as a Joint Lead Arranger, a Managing Agent and a Lender

By: /s/ Joseph Sandy
Name: Joseph Sandy
Title: Officer

EXHIBIT A

Conformed Copy showing Amendment of Credit Agreement

[Please see attached]

EXECUTION VERSION

Conformed Copy including Amendment No. 1 dated June 26, 2014, Amendment No. 2 dated as of November 16, 2016, Amendment No. 3 dated as of January 20, 2017, Amendment No. 4 dated as of August 22, 2018, Amendment No. 5 dated as of August 10, 2020, Amendment No. 6 dated as of March 8, 2021, Amendment No. 7 dated as of April 10, 2023, Amendment No. 8 dated as of October 30, 2023 ~~and~~, Amendment No. 9 dated as of February 5, 2024 and Amendment No. 10 dated as of February 10, 2025

$~~200,000,000~~250,000,000

FIFTH AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of April 30, 2013

Among

GLADSTONE BUSINESS INVESTMENT, LLC

as the Borrower

GLADSTONE MANAGEMENT CORPORATION

as the Servicer

THE FINANCIAL INSTITUTIONS FROM TIME TO TIME PARTY HERETO

as Lenders

THE FINANCIAL INSTITUTIONS FROM TIME TO TIME PARTY HERETO

as Managing Agents

KEYBANK NATIONAL ASSOCIATION

as the Administrative Agent

and

KEYBANK NATIONAL ASSOCIATION AND FIFTH THIRD BANK, NATIONAL ASSOCIATION

as Joint Lead Arrangers

TABLE OF CONTENTS

		Page
ARTICLE I		1
DEFINITIONS		1
Section 1.1	Certain Defined Terms.	1
Section 1.2	Other Terms.	46
Section 1.3	Computation of Time Periods.	4647
Section 1.4	Interpretation.	4647
Section 1.5	SOFR Notification.	48
ARTICLE II ADVANCES		48
Section 2.1	Advances.	48
Section 2.2	Procedures for Advances.	50
Section 2.3	Optional Changes in Facility Amount; Prepayments.	52
Section 2.4	Principal Repayments; Extension Options.	54
Section 2.5	The Notes.	54
Section 2.6	Interest Payments.	55
Section 2.7	Fees.	56
Section 2.8	Settlement Procedures.	56
Section 2.9	Collections and Allocations.	59
Section 2.10	Payments, Computations, Etc.	60
Section 2.11	Breakage Costs.	61
Section 2.12	Increased Costs; Capital Adequacy; Illegality.	61
Section 2.13	Taxes.	62
Section 2.14	Revolver Loan Funding.	64
Section 2.15	[Reserved].	65
Section 2.16	Discretionary Sales of Loans.	65
Section 2.17	Effect of Benchmark Transition Event.	67
ARTICLE III CONDITIONS OF EFFECTIVENESS AND ADVANCES		68
Section 3.1	Conditions to Effectiveness and Advances.	68
Section 3.2	Additional Conditions Precedent to All Advances.	69
ARTICLE IV REPRESENTATIONS AND WARRANTIES		70
Section 4.1	Representations and Warranties of the Borrower.	70
Section 4.2	Joint Representations and Warranties Regarding Ordinary Course of Business.	74
ARTICLE V GENERAL COVENANTS OF THE BORROWER		74
Section 5.1	Covenants of the Borrower.	74
Section 5.2	Hedging Agreement.	79

ARTICLE VI SECURITY INTEREST 79
Section 6.1 Security Interest. 79
Section 6.2 Remedies. 80
Section 6.3 Release of Liens. 81
Section 6.4 Assignment of the Purchase Agreement. 82

ARTICLE VII ADMINISTRATION AND SERVICING OF LOANS 82
Section 7.1 Appointment of the Servicer. 82
Section 7.2 Duties and Responsibilities of the Servicer. 82
Section 7.3 Authorization of the Servicer. 84
Section 7.4 Collection of Payments. 85
Section 7.5 Servicer Advances. 85
Section 7.6 Realization Upon Defaulted Loans or Charged-Off Loans. 86
Section 7.7 Optional Repurchase of Transferred Loans. 86
Section 7.8 Representations and Warranties of the Servicer. 87
Section 7.9 Covenants of the Servicer. 88
Section 7.10 Payment of Certain Expenses by Servicer. 90
Section 7.11 Reports. 90
Section 7.12 Annual Statement as to Compliance. 91
Section 7.13 Limitation on Liability of the Servicer and Others. 91
Section 7.14 The Servicer Not to Resign. 92
Section 7.15 Access to Certain Documentation and Information Regarding the Loans. 92
Section 7.16 Merger or Consolidation of the Servicer. 93
Section 7.17 Identification of Records. 93
Section 7.18 Servicer Termination Events. 93
Section 7.19 Appointment of Successor Servicer. 96
Section 7.20 Market Servicing Fee. 97

ARTICLE VIII EARLY TERMINATION EVENTS 97
Section 8.1 Early Termination Events. 97
Section 8.2 Remedies. 99

ARTICLE IX INDEMNIFICATION 100
Section 9.1 Indemnities by the Borrower. 100
Section 9.2 Indemnities by the Servicer. 102

ARTICLE X THE ADMINISTRATIVE AGENT AND THE MANAGING AGENTS 103
Section 10.1 Authorization and Action. 103
Section 10.2 Delegation of Duties. 104
Section 10.3 Exculpatory Provisions. 104
Section 10.4 Reliance. 105
Section 10.5 Non-Reliance on Administrative Agent, Managing Agents and Other Lenders. 106

Section 10.6 **Reimbursement and Indemnification.** 107
Section 10.7 **Administrative Agent and Managing Agents in their Individual Capacities.** 107
Section 10.8 **Successor Administrative Agent or Managing Agent.** 107

ARTICLE XI ASSIGNMENTS; PARTICIPATIONS 108
Section 11.1 **Assignments and Participations.** 108

ARTICLE XII MISCELLANEOUS 110
Section 12.1 **Amendments and Waivers.** 110
Section 12.2 **Notices, Etc.** 111
Section 12.3 **No Waiver, Rights and Remedies.** 111
Section 12.4 **Binding Effect.** 111
Section 12.5 **Term of this Agreement.** 112
Section 12.6 **GOVERNING LAW; CONSENT TO JURISDICTION; WAIVER OF OBJECTION TO VENUE** 112
Section 12.7 **WAIVER OF JURY TRIAL.** 112
Section 12.8 **Costs, Expenses and Taxes.** 113
Section 12.9 **No Proceedings.** 113
Section 12.10 **Recourse Against Certain Parties.** 113
Section 12.11 **Protection of Security Interest; Appointment of Administrative Agent as Attorney-in-Fact.** 114
Section 12.12 **Confidentiality.** 115
Section 12.13 **Execution in Counterparts; Severability; Integration.** 116
Section 12.14 **Amendment and Restatement.** 116
Section 12.15 **Patriot Act.** 116
Section 12.16 **Defaulting Lenders** 117

EXHIBITS

EXHIBIT A Form of Borrower Notice
EXHIBIT B-1 Form of Revolver Note
EXHIBIT B-2 Form of Swingline Note
EXHIBIT C Form of Assignment and Acceptance
EXHIBIT D Form of Joinder Agreement
EXHIBIT E Form of Monthly Report
EXHIBIT F Form of Servicer's Certificate
EXHIBIT G Form of Dividend Declaration Certificate
EXHIBIT H Form of Primary Document Trust Receipt
EXHIBIT I Form of Assignment of Mortgage
EXHIBIT J [Reserved]
EXHIBIT K [Reserved]
EXHIBIT L Form of Deposit Account Control Agreement
EXHIBIT M Credit Report and Transaction Summary
EXHIBIT N Moody's Industry Classifications

SCHEDULES

SCHEDULE I	Commitments of Lenders
SCHEDULE II	Loan List
SCHEDULE III	[Reserved]
SCHEDULE IV	Diversity Score Table

THIS FIFTH AMENDED AND RESTATED CREDIT AGREEMENT is made as of April 30, 2013, among:

(1) GLADSTONE BUSINESS INVESTMENT, LLC, a Delaware limited liability company, as borrower (the "Borrower");

(2) GLADSTONE MANAGEMENT CORPORATION, a Delaware corporation, as servicer (the "Servicer");

(3) Each financial institution from time to time party hereto as a "Lender" (whether on the signature pages hereto or in a Joinder Agreement), and as Swingline Lender and their respective successors and assigns (collectively, the "Lenders");

(4) Each financial institution from time to time party hereto as a "Managing Agent" (whether on the signature pages hereto or in a Joinder Agreement) and their respective successors and assigns (collectively, the "Managing Agents");

(5) KEYBANK NATIONAL ASSOCIATION, as "Administrative Agent" and its respective successors and assigns (the "Administrative Agent"); and

(6) KEYBANK NATIONAL ASSOCIATION and FIFTH THIRD BANK, NATIONAL ASSOCIATION, as Joint Lead Arrangers (collectively, the "Joint Lead Arrangers").

IT IS AGREED as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Certain Defined Terms.

(a) Certain capitalized terms used throughout this Agreement are defined above or in this Section 1.1.

(b) As used in this Agreement and its exhibits, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

"1940 Act" is defined in Section 4.1(x).

"Additional Amount" is defined in Section 2.13.

"Adjusted Purchased Loan Balance" means as of any date of determination and for any Transferred Loan, the Purchased Loan Balance of such Loan as of such date minus the Excess Concentration Loan Amount allocated to such Loan.

"Adjusted Term SOFR Rate" means for any Available Tenor and Settlement Period, the greater of (a) the Floor and (b) the sum of Term SOFR for such Settlement Period and 0.10% (10.00 basis points).

"Administrative Agent" is defined in the preamble hereto.

"Advances" means collectively the Revolver Advances and the Swing Advances.

"Advances Outstanding" means, on any day, the aggregate principal amount of Advances outstanding on such day, after giving effect to all repayments of Advances and makings of new Advances on such day.

"Adverse Claim" means a lien, security interest, pledge, charge, encumbrance or other right or claim of any Person.

"Affected Party" is defined in Section 2.12(a).

"Affiliate" with respect to a Person, means any other Person controlling, controlled by or under common control with such Person, including without limitation, when "Affiliate" is used by or with regard to Borrower or Originator, any entities under the control or management of Gladstone Management Corporation, or any successor entity; provided, however, that when used with respect to any Person which is an Obligor in respect of a Loan, "Affiliate" shall not mean any of the Borrower, the Servicer or the Originator if the Servicer, the Borrower or the Originator acquires voting securities of such Obligor in the ordinary course of its business (for avoidance of doubt, such Obligor may be a "Control Affiliate" pursuant to the definition thereof). For purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" or "controlled" have meanings correlative to the foregoing.

"Agent's Account" means account number 329953020917 at KeyBank N.A. ABA number 021300077, account name KeyBank N.A.

"Aggregate Adjusted Purchased Loan Balance" means on any day, the sum of the Adjusted Purchased Loan Balances of all Eligible Loans included as part of the Collateral on such date.

"Aggregate Borrowing Base Contribution Amount" means, with respect to any Obligor as of any date, an amount equal to the sum of the Borrowing Base Contribution Amount of each Eligible Loan relating to such Obligor as of such date.

"Aggregate Outstanding Loan Balance" means on any day, the sum of the Outstanding Loan Balances of all Eligible Loans included as part of the Collateral on such date.

"Aggregate Purchased Loan Balance" means on any day, the sum of the Purchased Loan Balances of all Eligible Loans included as part of the Collateral on such date.

"Agreement" or "Credit Agreement" means this Fifth Amended and Restated Credit Agreement, dated as of April 30, 2013, as hereafter amended, modified, supplemented or restated from time to time.

"Amendment No. 1 Effective Date" means June 26, 2014.

"Amendment No. 2 Effective Date" means November 16, 2016.

"Amendment No. 3 Effective Date" means January 20, 2017.

"Amendment No. 4 Effective Date" means August 22, 2018.

"Amendment No. 5 Effective Date" means August 10, 2020.

"Amendment No. 6 Effective Date" means March 8, 2021.

"Amendment No. 8 Effective Date" means October 30, 2023.

"Amendment No. 9 Effective Date" means February 5, 2024.

"Amendment No. 10 Effective Date" means February 10, 2025.

"Amortization Period" means the period beginning on the Termination Date and ending on the Maturity Date.

"Applicable Law" means, for any Person, all existing and future applicable laws, rules, regulations (including proposed, temporary and final income tax regulations), statutes, treaties, codes, ordinances, permits, certificates, orders and licenses of and interpretations by any Governmental Authority (including, without limitation, usury laws, the Federal Truth in Lending Act, Regulation Z, Regulation W, Regulation U and Regulation B of the Federal Reserve Board, the Foreign Corrupt Practices Act and the USA PATRIOT Act), and applicable judgments, decrees, injunctions, writs, orders, or line action of any court, arbitrator or other administrative, judicial, or quasi-judicial tribunal or agency of competent jurisdiction.

"Applicable Margin" means (i) 3.15% per annum during the Revolving Period, and (ii) (A) 3.40% for the period from the last day of the Revolving Period to the first anniversary thereof, and (B) 3.65% thereafter.

"Applicable Percentage" means, with respect to any Lender on any day, the percentage equivalent of a fraction, the numerator of which is the Lender's Commitment and the denominator of which is the Facility Amount. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Commitments most recently in effect, giving effect to any assignments.

"Approved Officer" means David Gladstone, Jay Beckhorn, Terry Brubaker, David A. R. Dullum, Michael LiCalsi, ~~Rachael Easton~~Taylor Ritchie and any other individual satisfactory to the Administrative Agent and the Required Lenders, as determined in their reasonable discretion.

"Approved Valuation Service" means, any of (i) ICE Data Pricing, (ii) Murray, Devine and Company, (iii) Houlihan Lokey, Duff & Phelps LLC, Lincoln Advisors, (iv) Stout Risius Ross, (v) Alvarez & Marsal, (vi) Valuation Research Corporation and (vii) each other valuation service provider approved by the Administrative Agent from time to time in its reasonable discretion.

"Assignment and Acceptance" is defined in Section 11.1(b).

"Assignment of Mortgage" means, as to each Loan secured by an interest in real property, one or more assignments, notices of transfer or equivalent instruments, each in recordable form and sufficient under the laws of the relevant jurisdiction to reflect the transfer of the related mortgage, deed of trust, security deed or similar security instrument and all other documents related to such Loan and to the Borrower and to grant a perfected lien thereon by the Borrower in favor of the Administrative Agent on behalf of the Secured Parties, each such Assignment of Mortgage to be substantially in the form of Exhibit I hereto.

"Availability" means, on any day, an amount equal to the lesser of:

(a) the amount by which the Borrowing Base exceeds the sum of (i) Advances Outstanding and (ii) an amount equal to 50% of the aggregate unfunded commitments under the Revolver Loans on such day, and

(b) the amount by which the Facility Amount exceeds the sum of (i) Advances Outstanding and (ii) the aggregate unfunded commitments under the Revolver Loans on such day;

provided, however, that following the Termination Date, the Availability shall be zero.

"Available Collections" is defined in Section 2.8.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Settlement Period" pursuant to Section 2.17(d).

"Backup Servicer" means The Bank of New York Mellon, in its capacity as Backup Servicer under the Backup Servicing Agreement, together with its successors and assigns.

"Backup Servicer Expenses" means the out-of-pocket expenses to be paid to the Backup Servicer under the Backup Servicing Agreement.

"Backup Servicer Fee" means the fee to be paid to the Backup Servicer as set forth in the Backup Servicing Agreement.

"Backup Servicing Agreement" means the Amended and Restated Backup Servicing Agreement dated as of the Closing Date among the Borrower, the Servicer, the Administrative Agent and the Backup Servicer, as amended by that certain Amendment No. 1 to Backup Servicing Agreement dated as of April 14, 2009, as the same may from time to time be further amended, restated, supplemented, waived or modified.

"Bankruptcy Code" means the United States Bankruptcy Reform Act of 1978 (11 U.S.C. §§ 101, et seq.), as amended from time to time.

"Base Rate" means, on any date, a fluctuating rate of interest per annum equal to the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus 1.0% and (c) the Floor.

"Base Rate Advance" means each Advance bearing interest at a rate based upon the Base Rate.

"Benchmark" means, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.17.

"Benchmark Replacement" means, with respect to any Benchmark Transition Event for the then-current Benchmark, the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for such Benchmark giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for such Benchmark for syndicated credit facilities denominated in U.S. Dollars at such time and (b) the related Benchmark Replacement Adjustment, if any; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Transaction Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of any then-current Benchmark with an unadjusted Benchmark Replacement for any applicable Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero), if any, that has been selected by the Administrative Agent and the Borrower giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable unadjusted Benchmark Replacement for U.S. Dollar denominated syndicated credit facilities.

"Benchmark Replacement Conforming Changes" means, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "SOFR Business Day," the definition of "Interest Rate," the definition of "Interest Reset Date," the definition of "Settlement Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 2.11, and other technical, administrative or operational matters) that the Administrative Agent decides, in consultation with the Borrower, may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides, in consultation with the Borrower, is reasonably necessary in connection with the administration of this Agreement and the other Transaction Documents).

"Benchmark Replacement Date" means the earlier to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clauses (1) or (2) of the definition of "Benchmark Transition Event", the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event", the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative or non-compliant with or non-aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks; provided that any such non-representativeness, non-compliance or non-alignment will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clauses (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means, with respect to the then-current Benchmark, the occurrence of one or more of the following events with respect to such Benchmark :

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) announcing that all Available Tenors of such Benchmark (or the published component used in the calculation thereof) are not, or as of a specified future date will not be, representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Start Date" means, with respect to any Benchmark, in the case of a Benchmark Transition Event, the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

"Benchmark Unavailability Period" means, with respect to any then-current Benchmark Replacement, the period (if any) (x) beginning at the time that a Benchmark Replacement Date with respect to such Benchmark pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Transaction Document in accordance with Section 2.17 and (y) ending

at the time that a Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Transaction Document in accordance with Section 2.17.

"Benefit Plan" means any employee benefit plan as defined in Section 3(3) of ERISA in respect of which the Borrower or any ERISA Affiliate of the Borrower is, or at any time during the immediately preceding six years was, an "employer" as defined in Section 3(5) of ERISA.

"Borrower" means Gladstone Business Investment, LLC, a Delaware limited liability company, or any permitted successor thereto.

"Borrowing Base" means on any date of determination, an amount equal to the sum of (A) the lesser of:

(a) the Aggregate Purchased Loan Balance *minus* the Required Equity Investment as of such date;

(b) the sum of the Borrowing Base Contribution Amount of each Eligible Loan as of such date; and

(c) at any time that a Diversity Score Event has occurred and is continuing, an amount equal to the product of (i) (x) the Weighted Average Advance Rate minus (y) 2.5% multiplied by (ii) the Aggregate Adjusted Purchased Loan Balances of all Eligible Loans,

plus, (B) any amounts of cash and cash equivalents held in the Collection Account less the sum of the aggregate accrued but unpaid Servicing Fee, Revolver Loan Funding Fee, Interest and Unused Fee.

The capitalized terms used in this definition of "Borrowing Base" shall have the following meanings:

Tier 1 Definitions: (Tier 1 only includes First Lien Loans and First Out Loans)	
"Adjusted Tier 1 Purchased Loan Balance"	For any Eligible Loan, its Tier 1 Purchased Loan Balance *minus* the applicable Allocated Excess Concentration Loan Amount.
"Tier 1 Advance Rate"	64%
"Tier 1 Leverage Ratio"	For each Eligible Loan, shall mean the lower of the Leverage Ratio and 4.25.
"Tier 1 Percentage"	For First Lien Loans and First Out Loans, the percentage obtained by dividing (x) the Tier 1 Leverage Ratio by (y) the Leverage Ratio.
"Tier 1 Purchased Loan Balance"	For each Eligible Loan, the product of the Purchased Loan Balance and the Tier 1 Percentage; provided, however, that, for any Eligible Loan which does not have positive TTM EBITDA, the "Tier 1 Purchased

	Loan Balance" shall be zero.

Tier 2 Definitions: (Tier 2 only includes First Lien Loans, First Out Loans, Second Lien Loans and Last Out Loans)	
"Adjusted Tier 2 Purchased Loan Balance"	For any Eligible Loan, its Tier 2 Purchased Loan Balance *minus* the applicable Allocated Excess Concentration Loan Amount.
"Tier 2 Advance Rate"	52%
"Tier 2 Leverage Ratio"	For each Eligible Loan, shall be determined as follows: (a) For First Lien Loans and First Out Loans, the Tier 2 Leverage Ratio shall mean the lower of (i) the higher of (A) the Leverage Ratio *minus* 4.25 and (B) zero, and (ii) 5.50 *minus* 4.25. (b) For Second Lien and Last Out Loans, the Tier 2 Leverage Ratio shall mean 5.50 *minus* the Senior Leverage Ratio.
"Tier 2 Percentage"	Means: (a) for First Lien Loans and First Out Loans, the percentage obtained by dividing (x) the applicable Tier 2 Leverage Ratio by (y) the Leverage Ratio; (b) for Second Lien and Last Out Loans, (i) if the Senior Leverage Ratio is greater than or equal to 5.50, then a value of 0, (ii) if the Leverage Ratio is less than or equal to 5.50, then a value of 100%, and (iii) otherwise, the percentage obtained by dividing (A) the applicable Tier 2 Leverage Ratio by (B) the Leverage Ratio *minus* the Senior Leverage Ratio.
"Tier 2 Purchased Loan Balance"	For each Eligible Loan, the product of the Purchased loan Balance and the Tier 2 Percentage; provided, however, that, for any Eligible Loan which does not have positive TTM EBITDA, the "Tier 2 Purchased Loan Balance" shall be zero.

Tier 3 Definitions: (Tier 3 includes First Lien Loans, First Out Loans, Second Lien Loans, Last Out Loans and Mezzanine Loans)	
"Adjusted Tier 3 Purchased Loan Balance"	For any Eligible Loan, its Tier 3 Purchased Loan Balance *minus* the applicable Allocated Excess Concentration Loan Amount.

"Tier 3 Advance Rate"	35%.
"Tier 3 Leverage Ratio"	For each Eligible Loan, shall be determined as follows: (a) For First Lien Loans and First Out Loans, the Tier 3 Leverage Ratio shall mean the lower of (i) the higher of (A) the Leverage Ratio *minus* 5.50, and (B) zero and (ii) 6.0 *minus* 5.50. (b) For Second Lien and Last Out Loans, the Tier 3 Leverage Ratio shall mean (x) the lower of the applicable Leverage Ratio and 6.0 *minus* (y) the higher of the applicable Senior Leverage Ratio and 5.50. (c) For Mezzanine Loans, the Tier 3 Leverage Ratio shall mean the (x) the lower of (1) the applicable Leverage Ratio and (2) 6.0 *minus* (y) the Senior Leverage Ratio.
"Tier 3 Percentage"	Means: (a) for First Lien Loans and First Out Loans, the percentage obtained by dividing (x) the applicable Tier 3 Leverage Ratio by (y) the Leverage Ratio; (b) for Second Lien and Last Out Loans, (i) if the Senior Leverage Ratio is greater than or equal to 6.00, then a value of zero, (ii) if the Leverage Ratio is less than or equal to 5.50 then a value of zero, and (iii) otherwise, the percentage obtained by dividing (A) the applicable Tier 3 Leverage Ratio by (B) the Leverage Ratio *minus* the Senior Leverage Ratio; and (c) for Mezzanine Loans, (i) if the Senior Leverage Ratio is greater than or equal to 6.0, then a value of zero, (ii) if the Leverage Ratio is less than or equal to 6.0, then a value of 100%, and (iii) otherwise, the percentage obtained by dividing (A) the applicable Tier 3 Leverage Ratio by (B) the Leverage Ratio *minus* the applicable Senior Leverage Ratio.
"Tier 3 Purchased Loan Balance"	For each Eligible Loan, the product of the Purchased Loan Balance and the Tier 3 Percentage; provided, however, that, for any Eligible Loan which does not have positive TTM EBITDA, the "Tier 3 Purchased Loan Balance" shall be zero.

Tier 4 Definitions: (Tier 4 includes First Lien Loans, First Out Loans, Second Lien Loans, Last Out Loans and Mezzanine Loans)	
"Adjusted Tier 4 Purchased Loan Balance"	For any Eligible Loan, its Tier 4 Purchased Loan Balance *minus* the applicable Allocated Excess Concentration Loan Amount.
"Tier 4 Advance Rate"	0%.
"Tier 4 Leverage Ratio"	For each Eligible Loan, shall be determined as follows: For First Lien Loans, First Out Loans, Second Lien Loans, Last Out Loans and Mezzanine Loans, the higher of (A) the applicable Leverage Ratio *minus* 6.00 and (B) zero.
"Tier 4 Percentage"	Means: (a) for First Lien Loans and First Out Loans, the percentage obtained by dividing (i) the applicable Tier 4 Leverage Ratio by (ii) the Leverage Ratio; and (b) for Second Lien Loans, Last Out Loans and Mezzanine Loans, (i) if the Senior Leverage Ratio is greater than or equal to 6.00, then a value of 100%, (ii) if the Leverage Ratio is less than or equal to 6.0, then a value of zero and (iii) otherwise, the percentage obtained by dividing (A) the applicable Tier 4 Leverage Ratio by (B) the Leverage Ratio *minus* the Senior Leverage Ratio.
"Tier 4 Purchased Loan Balance"	For each Eligible Loan, the product of the Purchased Loan Balance and the Tier 4 Percentage; provided, however, that, for any Eligible Loan which does not have positive TTM EBITDA, the "Tier 4 Purchased Loan Balance" shall be equal to the Purchased Loan Balance.

"Allocated Excess Concentration Loan Amount" means, as to any Eligible Loan, the Excess Concentration Loan Amount of such Eligible Loan allocated to the Tier 1 through Tier 4 Purchased Loan Balances of such Eligible Loan in the following order of priority until such Excess Concentration Loan Amount has been fully allocated:

(i) first, to such Eligible Loan's Tier 4 Purchased Loan Balance until such Tier 4 Purchased Loan Balance is zero; then

(ii) to its Tier 3 Purchased Loan Balance until such Tier 3 Purchased Loan Balance is zero; then

(iii) to its Tier 2 Purchased Loan Balance until such Tier 2 Purchased Loan Balance is zero; and then

(iv) to its Tier 1 Purchased Loan Balance until such Tier 1 Purchased Loan Balance is zero.

"Senior Funded Debt" means, with respect to any Eligible Loan, the portion of the Total Funded Debt of the Obligor of such loan that is senior in priority and right of repayment of such Eligible Loan.

"Senior Leverage Ratio" means, for any Eligible Loan, the ratio of the Senior Funded Debt to TTM EBITDA of the Obligor of such Eligible Loan.

"Weighted Average Advance Rate" means, as of any date of determination, the overall effective advance rate, expressed as a percentage, to be calculated as the sum of the Borrowing Base Contribution Amount for all Eligible Loans divided by the Aggregate Adjusted Purchase Loan Balance.

"Borrowing Base Contribution Amount" means, with respect to any Eligible Loan as of any date of determination, the sum of the products of (i) its Adjusted Tier 1 Purchased Loan Balance on such date and its Tier 1 Advance Rate, (ii) its Adjusted Tier 2 Purchased Loan Balance on such date and its Tier 2 Advance Rate, (iii) its Adjusted Tier 3 Purchased Loan Balance on such date and its Tier 3 Advance Rate and (iv) its Adjusted Tier 4 Purchased Loan Balance on such date and its Tier 4 Advance Rate.

"Borrowing Base Test" means as of any date, a determination that (a) the lesser of (i) the Borrowing Base and (ii) the Facility Amount shall be equal to or greater than (b) the Advances Outstanding.

"Borrower Notice" means a written notice, in the form of Exhibit A, to be used for each borrowing, repayment of each Advance or termination or reduction of the Facility Amount or Prepayments of Advances.

"Breakage Costs" is defined in Section 2.11.

"Business Day" means any day of the year other than a Saturday or a Sunday on which (a) (i) banks are not required or authorized to be closed in New York, New York and Virginia or (ii) which is not a day on which the Bond Market Association recommends a closed day for the U.S. Bond Market, and (b) with respect to any matters relating to SOFR Advances, a SOFR Business Day.

"CBA" means CME Group Benchmark Administration Ltd.

"Change-in-Control" means, with respect to any entity, the date on which (i) any Person or "group" acquires any "beneficial ownership" (as such terms are defined under Rule 13d-3 of,

and Regulation 13D under, the Securities Exchange Act of 1934, as amended), either directly or indirectly, of membership interests or other equity interests or any interest convertible into any such interest in such entity having more than fifty percent (50%) of the voting power for the election of managers of such entity, if any, under ordinary circumstances, or (ii) (with regard to the Borrower, except in connection with any Discretionary Sale) an entity sells, transfers, conveys, assigns or otherwise disposes of all or substantially all of the assets of such entity; provided that in the case of the Servicer, no Change-in-Control shall be deemed to have taken place as long as executive officers of the Servicer hold greater than fifty percent (50%) of the indirect voting power for the election of managers or directors of the Servicer.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (i) the adoption or taking effect of any law, rule, regulation or treaty, (ii) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (iii) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case described in clauses (x) and (y) above be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Charged-Off Loan" means any Loan (i) that is 120 days past due with respect to any interest or principal payment, (ii) for which an Insolvency Event has occurred with respect to the related Obligor or (iii) that is or should be written off as uncollectible by the Servicer in accordance with the Credit and Collection Policy.

"Charged-Off Ratio" means, with respect to any Settlement Period, the percentage equivalent of a fraction, calculated as of the Determination Date for such Settlement Period, (i) the numerator of which is equal to the aggregate Outstanding Loan Balance of all Transferred Loans that became Charged-Off Loans during such Settlement Period and (ii) the denominator of which is equal to the sum of (A) the Aggregate Outstanding Loan Balance as of the first day of such Settlement Period and (B) the Aggregate Outstanding Loan Balance as of the last day of such Settlement Period divided by 2.

"Closing Date" means October 19, 2006.

"Code" means The Internal Revenue Code of 1986, as amended.

"Collateral" means all right, title and interest, whether now owned or hereafter acquired or arising, and wherever located, of the Borrower in, to and under any and all of the following:

(i) the Transferred Loans, and all monies due or to become due in payment of such Loans on and after the related Purchase Date;

(ii) any Related Property securing the Transferred Loans, including all real estate collateral assigned to the Administrative Agent pursuant to an Assignment of Mortgage, and further including all Proceeds from any sale or other disposition of such Related Property;

(iii) the Loan Documents relating to the Transferred Loans;

(iv) all Supplemental Interests related to any Transferred Loans;

(v) the Collection Account, all funds held in such account, and all certificates and instruments, if any, from time to time representing or evidencing the Collection Account or such funds;

(vi) all Collections and all other payments made or to be made in the future with respect to the Transferred Loans, including such payments under any guarantee or similar credit enhancement with respect to such Loans;

(vii) all Hedge Collateral;

(viii) the Operating Account and all deposit or banking accounts of the Borrower with the Administrative Agent, and all funds held in such accounts, and all certificates and instruments, if any, from time to time representing or evidencing such accounts or such funds; and

(ix) all income and Proceeds of the foregoing.

For avoidance of doubt, the Collateral, in the case of "Related Property" pursuant to clause (ii) above, may be and mean a Lien held by the Borrower against such property, rather than an ownership interest in such property.

"Collateral Custodian" means The Bank of New York Mellon Trust Company, N.A., formerly known as BNY Midwest Trust Company, in its capacity as Collateral Custodian under the Custody Agreement, together with its successors and assigns.

"Collateral Custodian Expenses" means the out-of-pocket expenses to be paid to the Collateral Custodian under the Custody Agreement.

"Collateral Custodian Fee" means the fee to be paid to the Collateral Custodian as set forth in the Custody Agreement.

"Collateral Quality Test" means as of any date, a set of tests that are satisfied so long as each of the following are satisfied: (i) the Weighted Average Spread on the Transferred Loans is equal to or greater than 6.5% as of such date, (ii) the Weighted Average Life of the Transferred Loans is equal to or less than 60 months as of such date, (iii) the weighted average Risk Rating of the portfolio of Transferred Loans shall not be less than B-/ B3/4 by S&P, Moody's or the Servicer's risk rating model, respectively, (iv) the Diversity Score for the Transferred Loans is

greater than or equal to 7 as of such date and (v) the Required Minimum Obligors Test is being satisfied.

"Collection Account" is defined in Section 7.4(e).

"Collection Date" means the date following the Termination Date on which all Advances Outstanding have been reduced to zero, the Lenders have received all accrued Interest, fees, and all other amounts owing to them under this Agreement and the Hedging Agreement, the Hedge Counterparties have received all amounts due and owing hereunder and under the Hedge Transactions, and each of the Backup Servicer, the Collateral Custodian, the Administrative Agent and the Managing Agents have each received all amounts due to them in connection with the Transaction Documents.

"Collections" means (a) all cash collections or other cash proceeds of a Transferred Loan received by or on behalf of the Borrower by the Servicer or Originator from or on behalf of any Obligor in payment of any amounts owed in respect of such Transferred Loan, including, without limitation, Interest Collections, Principal Collections, Deemed Collections, Insurance Proceeds, and all Recoveries, (b) all amounts received by the Buyer (as defined in the Purchase and Sale Agreement) in connection with the repurchase of an Ineligible Loan pursuant to Section 6.1 of the Purchase Agreement, (c) all amounts received by the Administrative Agent in connection with the purchase of a Transferred Loan pursuant to Section 7.7, (d) all payments received pursuant to any Hedging Agreement or Hedge Transaction, and (e) interest earnings in the Collection Account.

"Commitment" means (a) the commitment of each Lender in the amount set forth next to the name of such Lender on Schedule I hereto, in each case as such amount may be modified in accordance with the terms hereof; and (b) with respect to any Person who becomes a Lender pursuant to an Assignment and Acceptance or a Joinder Agreement, the commitment of such Person to fund any Advance to the Borrower in an amount not to exceed the amount set forth in such Assignment and Acceptance or Joinder Agreement, as such amount may be modified in accordance with the terms hereof.

"Commitment Termination Date" means October 30, 2026, or such later date to which the Commitment Termination Date may be extended (if extended) in the sole discretion of the Lenders in accordance with Section 2.4(b).

"Contractual Obligation" means, with respect to any Person, any provision of any securities issued by such Person or any indenture, mortgage, deed of trust, contract, undertaking, agreement, instrument or other document to which such Person is a party or by which it or any of its property is bound or is subject.

"Control Affiliate" means any Obligor in which the Originator, the Borrower or any Affiliate of the Borrower holds or acquires voting securities of such Obligor, in an amount such that the Originator, the Borrower or any Affiliate of the Borrower, or any or all of them jointly, would then have "control" of such Obligor, as defined in Section 2(a)(9) of the 1940 Act.

"Controlled Transaction" means a Loan, the Obligor of which is a Control Affiliate.

"Covenant-Lite Loan" means a Loan lacking traditional financial covenants requiring minimum interest or other debt service coverage or specifying maximum levels of leverage or other similar "maintenance" tests.

"Credit Exposure" means, as to any Lender at any time, the outstanding principal amount of the Advances by such Lender.

"Credit and Collection Policy" means those credit, collection, customer relation and service policies (i) determined by the Borrower, the Originator and the initial Servicer as of the date hereof relating to the Transferred Loans and related Loan Documents, as on file with the Administrative Agent and as the same may be amended or modified from time to time in accordance with Sections 5.1(r) and 7.9(g); and (ii) with respect to any Successor Servicer, the collection procedures and policies of such person (as approved by the Administrative Agent) at the time such Person becomes Successor Servicer.

"Current Pay Loan" means any Transferred Loan (a) in respect of which the Servicer or Originator shall have taken any of the following actions: charging a default rate of interest, restricting Obligor's right to make subordinated payments (other than payments in respect of owner's debts and seller financings in the original loan agreement), acceleration of the Transferred Loan, or foreclosure on collateral for the Loan, (b) that is not more than thirty (30) days past due with respect to any interest or principal payments and (c) in respect of which the Servicer shall have certified (which certification may be in the form of an e-mail or other written electronic communication) to the Administrative Agent that the Servicer does not believe, in its reasonable judgment, that a failure to pay interest or ultimate principal will occur. For avoidance of doubt, a Current Pay Loan shall be an Eligible Loan and included in the Borrowing Base but shall be subject to restriction as provided in the definitions of Excess Concentration Loan Amount and Outstanding Loan Balance. A Transferred Loan shall cease to be a Current Pay Loan if it (i) becomes a Defaulted Loan through failure to satisfy the requirements set forth in clauses (b) and (c) of the preceding sentence in this definition or (ii) becomes an Eligible Loan which is no longer a Current Pay Loan (such that it is no longer subject to restriction for purposes of Excess Concentration Loan Amount and Outstanding Loan Balance calculations), which shall occur upon receipt of a certification from the Servicer (which certification may be in the form of an e-mail or other written electronic communication) to the Administrative Agent that, as of the date of the certification (x) the applicable circumstances enumerated in clause (a) above which caused the Loan to be a Current Pay Loan shall no longer exist and (y) such Loan otherwise meets the definition of an Eligible Loan.

"Custody Agreement" means the Custodial Agreement, dated as of the Closing Date among the Borrower, the Servicer, the Originator, the Administrative Agent and the Collateral Custodian, as amended by that certain Amendment No. 1 to Custodial Agreement dated as of April 14, 2009 and as the same may from time to time be further amended, restated, supplemented, waived or modified.

"Deemed Collections" means, on any day, the aggregate of all amounts Borrower shall have been deemed to have received as a Collection of a Transferred Loan. Borrower shall be deemed to have received a Collection in an amount equal to the unpaid balance (including any

accrued interest thereon) of a Transferred Loan if at any time the Outstanding Loan Balance of any such Loan is either (i) reduced as a result of any discount or any adjustment or otherwise by Borrower (other than receipt of cash Collections) or (ii) reduced or canceled as a result of a setoff in respect of any claim by any Person (whether such claim arises out of the same or a related transaction or an unrelated transaction).

"Default Excess" means, with respect to any Defaulting Lender, the excess, if any, of such Defaulting Lender's ratable portion of the aggregate Credit Exposure of all Lenders (calculated as if all Defaulting Lenders had funded all of their respective Advances) over the aggregate outstanding principal amount of all Advances of such Defaulting Lender.

"Default Rate" means the rate equal to the Base Rate plus 2% plus the Applicable Margin.

"Default Ratio" means, with respect to any Settlement Period, the percentage equivalent of a fraction, calculated as of the Determination Date for such Settlement Period, (a) the numerator of which is equal to the aggregate Outstanding Loan Balance of all Transferred Loans (excluding Charged-Off Loans) that became Defaulted Loans during such Settlement Period and (b) the denominator of which is equal to (i) the sum of (x) the Aggregate Outstanding Loan Balance as of the first day of such Settlement Period and (y) the Aggregate Outstanding Loan Balance as of the last day of such Settlement Period divided by (ii) two.

"Defaulted Loan" means any Transferred Loan (a) as to which, (x) a default as to the payment of principal and/or interest has occurred and is continuing for a period of sixty (60) consecutive days with respect to such Loan (without regard to any grace period applicable thereto, or waiver thereof) or (y) a default not set forth in clause (x) has occurred and the holders of such Loan have accelerated all or a portion of the principal amount thereof as a result of such default, (b) as to which a default as to the payment of principal and/or interest has occurred and is continuing on another debt obligation of the same Obligor which is senior or *pari passu* in right of payment to such Loan, (c) as to which the Obligor or others have instituted proceedings to have the Obligor adjudicated bankrupt or insolvent or placed into receivership and such proceedings have not been stayed or dismissed or such issuer has filed for protection under Chapter 11 of the United States Bankruptcy Code (unless (x) in the case of subclause (y) of clause (a) or clauses (b) and (c) the Loan is a Current Pay Loan, in which case it shall not be deemed a Defaulted Loan or (y) in the case of clauses (b) or (c), the Loan is a DIP Loan, in which case it shall not be deemed a Defaulted Loan), (d) that the Servicer has in its reasonable commercial judgment otherwise declared to be a Defaulted Loan or (e) that has a Risk Rating of "Ca," "CC" or "1" or below by Moody's, S&P or the Servicer, respectively.

"Defaulting Lender" means, subject to Section 12.16, any Lender that (a) has failed to (i) fund all or any portion of its Advances within two Business Days of the date such Advances were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, the Swingline Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Swing Advances)

within two Business Days of the date when due, (b) has notified the Borrower, the Administrative Agent or Swingline Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lenders' obligation to fund an Advance hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Insolvency Law, or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 12.16) upon delivery of written notice of such determination to the Borrower, the Swingline Lender and each Lender.

"Deposit Account Control Agreement" means each of (i) a letter agreement, substantially in the form of Exhibit L, among the Borrower, the Administrative Agent and the bank maintaining the Collection Account with respect to control of the Collection Account, as amended by Amendment No. 1 to Deposit Account Control Agreement dated as of April 14, 2009, and as the same may from time to time be further amended, modified, supplemented or restated, (ii) [Reserved] (iii) the Deposit Account Control Agreement dated as of April 14, 2009 with respect to the Operating Account among the Borrower, the bank maintaining the Operating Account and the Administrative Agent, as the same may be amended, modified, supplemented or restated from time to time and (iv) any letter agreement, substantially in the form of Exhibit L, among the Borrower, the Administrative Agent and the bank maintaining any Lock-Box Account.

"Derivatives" means any exchange-traded or over-the-counter (i) forward, future, option, swap, cap, collar, floor, foreign exchange contract, any combination thereof, whether for physical delivery or cash settlement, relating to any interest rate, interest rate index, currency, currency exchange rate, currency exchange rate index, debt instrument, debt price, debt index, depository instrument, depository price, depository index, equity instrument, equity price, equity index, commodity, commodity price or commodity index, (ii) any similar transaction, contract,

instrument, undertaking or security, or (iii) any transaction, contract, instrument, undertaking or security containing any of the foregoing.

"Determination Date" means the last day of each Settlement Period.

"DIP Loan" means a Transferred Loan, the Obligor of which is a debtor-in-possession as described in Section 1107 of the Bankruptcy Code or a debtor as defined in Section 101(13) of the Bankruptcy Code (a "Debtor") organized under the laws of the United States or any state therein, the terms of which have been approved by an order of a court of competent jurisdiction, which order provides that (i) such DIP Loan is secured by liens on otherwise unencumbered property of the Debtor's bankruptcy estate pursuant to 364(c)(2) of the Bankruptcy Code, (ii) such DIP Loan is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to Section 364(d) of the Bankruptcy Code, (iii) such DIP Loan is secured by junior liens on property of the Debtor's bankruptcy estate already subject to a lien encumbered assets (so long as such DIP Loan is a fully secured claim within the meaning of Section 506 of the Bankruptcy Code), or (iv) if the DIP Loan or any portion thereof is unsecured, the repayment of such DIP Loan retains priority over all other administrative expenses pursuant to Section 364(c)(1) of the Bankruptcy Code; provided that, in the case of the origination or acquisition of any DIP Loan, none of the Borrower or the Servicer have actual knowledge that the order set forth above is subject to any pending contested matter or proceeding (as such terms are defined in the Federal Rules of Bankruptcy Procedure) or the subject of an appeal or stay pending appeal.

"Discretionary Sale" is defined in Section 2.16.

"Discretionary Sale Notice" is defined in Section 2.16(a).

"Discretionary Sale Settlement Date" means the Business Day specified by the Borrower to the Administrative Agent in a Discretionary Sale Notice as the proposed settlement date of a Discretionary Sale.

"Discretionary Sale Trade Date" means the Business Day specified by the Borrower to the Administrative Agent in a Discretionary Sale Notice as the proposed trade date of a Discretionary Sale.

"Distribution" is defined in Section 5.1(j).

"Diversity Score" means the single number that indicates collateral concentration for Loans in terms of both Obligor and industry concentration, which is calculated as described in Schedule IV attached hereto.

"Diversity Score Event" means, and shall be deemed to have occurred, at any time that the Diversity Score is less than 9 (but not less than 7) for a period of more than three continuous calendar months.

"Drawn Amount" means, at any time, the sum of (i) Advances Outstanding and (ii) the Revolver Loan Unfunded Commitment Amount at such time.

"Early Termination Event" is defined in Section 8.1.

"EBITDA" means, with respect to any Obligor of a Loan, the earnings before interest, taxes, depreciation and amortization of such Obligor, as determined by the Servicer in the manner provided in the Loan Documents for such Loan.

"Effective Date" means April 30, 2013.

"Eligible Assignee" means a Person (a) that is a Lender or an Affiliate of a Lender or (b) (i) whose short-term rating is at least A-1 from S&P and P-1 from Moody's, or whose obligations under this Agreement are guaranteed by a Person whose short-term rating is at least A-1 from S&P and P-1 from Moody's and (ii) who is approved by the Administrative Agent (such approval not to be unreasonably withheld); provided that, notwithstanding any of the foregoing, "Eligible Assignee" shall not include the Borrower or any of the Borrower's Affiliates or subsidiaries.

"Eligible Loan" means, on any date of determination, each Transferred Loan which satisfies each of the following requirements:

(i) the Loan is evidenced by a promissory note that has been duly authorized and that, together with the related Loan Documents, is in full force and effect and constitutes the legal, valid and binding obligation of the Obligor of such Loan to pay the stated amount of the Loan and interest thereon, and the related Loan Documents are enforceable against such Obligor in accordance with their respective terms;

(ii) the Loan was originated in accordance with the terms of the Credit and Collection Policy and arose in the ordinary course of the Originator's business from the lending of money to the Obligor thereof;

(iii) the Loan is not a Defaulted Loan;

(iv) the Obligor of such Loan has executed all appropriate documentation required by the Originator;

(v) the Loan, together with the Loan Documents related thereto, is a "general intangible", an "instrument", an "account", or "chattel paper" within the meaning of the UCC of all jurisdictions that govern the perfection of the security interest granted therein;

(vi) all material consents, licenses, approvals or authorizations of, or registrations or declarations with, any Governmental Authority required to be obtained, effected or given in connection with the making of such Loan have been duly obtained, effected or given and are in full force and effect;

(vii) the Loan is denominated and payable only in United States dollars in the United States, and is not convertible by the Obligor into debt denominated in any other currency;

(viii) the Loan bears interest, which is due and payable no less frequently than quarterly, except for (i) Loans which bear interest which is due and payable no less frequently than semi-annually, provided that the aggregate Purchased Loan Balances of such Loans do not exceed 10% of the Aggregate Purchased Loan Balance and (ii) PIK Loans;

(ix) the Loan, together with the Loan Documents related thereto, does not contravene in any material respect any Applicable Laws (including, without limitation, laws, rules and regulations relating to usury, truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy) and with respect to which no party to the Loan Documents related thereto is in material violation of any such Applicable Laws;

(x) the Loan, together with the related Loan Documents, is fully assignable (and if such Loan is secured by an interest in real property, an Assignment of Mortgage executed in blank has been delivered to the Collateral Custodian);

(xi) the Loan was documented and closed in accordance with the Credit and Collection Policy, including the relevant opinions and assignments, and there is only one current original promissory note;

(xii) the Loan and, in the case of a First Lien Loan, all Related Property (that is part of the Collateral) are free of any Liens except for Permitted Liens, any Liens expressly permitted in the definition of "First Lien Loan", and Liens that are pari passu with Borrower's Lien in terms of priority;

(xiii) the Loan has an original term to maturity of no more than 120 months;

(xiv) no right of rescission, set off, counterclaim, defense or other material dispute has been asserted with respect to such Loan;

(xv) any Related Property with respect to such Loan is insured in accordance with the Credit and Collection Policy;

(xvi) the Obligor with respect to such Loan is an Eligible Obligor;

(xvii) if such Loan is a PIK Loan, such Loan shall pay a minimum of eight percent (8.0%) per annum current interest, on at least a quarterly basis;

(xviii) the Loan is not a loan or extension of credit made by the Originator or one of its subsidiaries to an Obligor for the purpose of making any principal, interest or other payment on such Loan necessary in order to keep such Loan from becoming delinquent;

(xix) the Loan has not been amended or subject to a deferral or waiver the effect of which is to (A) reduce the amount (other than by reason of the repayment thereof) or extend the time for payment of principal or (B) reduce the rate or extend the time of payment of interest (or any component thereof), in each case without the consent of the Required Lenders, which consent shall not be unreasonably withheld or delayed.

Required Lenders, which consent shall not be unreasonably withheld or delayed;

provided, however, that such consent shall not be required for an amendment, deferral or waiver the effect of which is to (I) (x) reduce the rate of payment of interest or (y) defer the payment of interest for a period or periods not to exceed 93 days in the aggregate in any 12-month period, provided that after giving effect to any such reduction and/or deferral, the blended rate per annum is not less than the Term SOFR Reference Rate plus 5.00% or (II) extend the time for payment of principal due solely to the scheduled maturity of such Loan, so long as such Loan (1) is not a Defaulted Loan and (2) has not incurred and is not anticipated to incur a breach of a material financial covenant; and provided that, with respect to any Loan described in this clause (xix)(I) (each such loan, a "Credit Modified Loan") the Borrower shall have provided to the Administrative Agent the reports with respect to such Loan required under Section 5.1(t)(iv); provided, further, that a Credit Modified Loan with respect to which the applicable Obligor has made three successive scheduled payments of principal and/or interest may, with the consent of the Agent in its sole discretion, cease to be a Credit Modified Loan for purposes of this clause (xix);

(xx) if such Loan is a Qualifying Syndicated Loan, (a) the Borrower has purchased an interest in such Loan from a financial institution which such financial institution (A) has a short-term debt rating equal to at least A-1 from S&P and P-1 from Moody's, (B) has been approved in writing by the Required Lenders prior to the related Funding Date or (C) has an investment grade rating of BBB+/Baa1 or greater and (b) such Loan closed not more than thirty (30) days previously;

(xxi) if such Loan is a Revolver Loan, it shall be secured by a first priority, perfected security interest on certain assets of the Obligor which shall include, without limitation, accounts receivable and inventory;

(xxii) if such Loan is a Revolver Loan, the revolving credit commitment of the Borrower to the applicable Obligor thereunder shall have a term to maturity of three years or less;

(xxiii) if such Loan is a Fixed Rate Loan which is not subject to a Hedging Transaction, the interest rate charged on such Loan shall be equal to or greater than 9.0%;

(xxiv) such Loan is not a Structured Finance Obligation;

(xxv) such Loan is not an equity security, and does not by its terms permit the payment obligation of the Obligor thereunder to be converted into or exchanged for equity capital of such Obligor;

(xxvi) such Loan is not an obligation whose repayment is subject to or derived from (a) the value of other loans, securities and/or financial instruments or (b) the value of bonds insuring against loss arising from natural catastrophes;

(xxvii) the Servicer shall in respect of such Loan have calculated, (i) on or prior to the date on which such Loan became a Transferred Loan, and (ii) at least once per

calendar quarter, within thirty Business Days after the date the Servicer provides the quarterly valuations for its serviced portfolio (commencing after the first anniversary of the date such Loan became a Transferred Loan), each of the following, in each case in accordance with the applicable Loan Documents for such Loan: EBITDA, Total Funded Debt, TTM EBITDA and each of the ratios required to be computed hereunder utilizing those three terms in the classification of such Loan hereunder;

(xxviii) the financing of such Loan by the Lenders does not contravene Regulation U of the Federal Reserve Board, nor require the Lenders to undertake reporting thereunder which it would not otherwise have cause to make;

(xxix) if such security or loan is a Real Estate Loan, there is full recourse to the Obligor for principal and interest payments;

(xxx) such Loan does not contain a confidentiality provision that restricts the ability of the Administrative Agent, on behalf of the Secured Parties, to exercise its rights under the Transaction Documents, including, without limitation, its rights to review the Loan, the related Loan File or the Originator's credit approval file in respect of such Loan; provided, however, that a provision which requires the Administrative Agent or other prospective recipient of confidential information to maintain the confidentiality of such information shall not be deemed to restrict the exercise of such rights;

(xxxi) the Obligor of which is not the Servicer, an Affiliate of the Borrower, the Originator or the Servicer or any other person whose investments are primarily managed by the Servicer or any Affiliate of the Servicer, unless such Loan is approved by the Required Lenders (for avoidance of doubt, the term "Affiliate" as used in this clause (xxxi) does not include an entity which is a "Control Affiliate");

(xxxii) such Loan is not a Covenant-Lite Loan;

(xxxiii) the proceeds of such Loan are not used to finance construction projects or activities;

(xxxiv) the Loan is not any type of bond, whether high yield or otherwise, or any similar financial instrument;

(xxxv) such Loan shall be a (A) First Lien Loan, (B) First Out Loan, (C) Second Lien Loan, (D) Last Out Loan or (E) Mezzanine Loan;

(xxxvi) if such Loan is a Mezzanine Loan, such Loan shall have a Leverage Ratio of not greater than 6.25x;

(xxxvii) if such Loan (A) ceased to be an Eligible Loan or (B) was not a Transferred Loan, in each case at the time such Loan became subject to any of the modifications described in clause (xix), with the consent of the Agent in its sole discretion provided that the applicable Obligor has made three successive scheduled payments of principal and/or interest on such Loan subsequent to such modification; and

(xxxviii) if such Loan is not a First Lien Loan (other than as a result of failing to satisfy the proviso to the definition of "First Lien Loan"), the Originator holds one or more classes of equity securities in the related Obligor (or an Affiliate thereof).

"Eligible Obligor" means, on any day, any Obligor that satisfies each of the following requirements:

(i) such Obligor's principal office and any Related Property are located in Canada or the United States or any territory of the United States;

(ii) no other Loan of such Obligor is a Defaulted Loan;

(iii) such Obligor is not the subject of any Insolvency Event, with the exception of an Obligor with regard to a DIP Loan;

(iv) such Obligor is not a Governmental Authority;

(v) such Obligor is in material compliance with all material terms and conditions of its Loan Documents; and

(vi) such Obligor is not an Affiliate of the Borrower, the Servicer or the Originator (for avoidance of doubt, the term "Affiliate" as used in this clause (vi) does not include an entity which is a "Control Affiliate").

"ERISA" means the U.S. Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" means (a) any corporation that is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code) as the Borrower; (b) a trade or business (whether or not incorporated) under common control (within the meaning of Section 414(c) of the Code) with the Borrower or (c) a member of the same affiliated service group (within the meaning of Section 414(m) of the Code) as the Borrower, any corporation described in clause (a) above or any trade or business described in clause (b) above.

"Excess Concentration Limits" means, as of any date of determination, the following limits on the amount of the Purchased Loan Balance of all Eligible Loans which may be included in the Borrowing Base, as contemplated by the definition of Excess Concentration Loan Amount:

(a) the Aggregate Adjusted Purchased Loan Balance of Eligible Loans, the Obligors of which are headquartered in any one state, shall not exceed 40% of the Aggregate Purchased Loan Balance;

(b) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans to a single Obligor shall not exceed an amount equal to the greater of (a) $20,000,000 and (b) the product of (A) 10% and (B) the Aggregate Purchased Loan Balance;

(c) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans to the eight

(8) Obligors having the largest Purchased Loan Balances, in the aggregate, shall not exceed an amount equal to 75% of the Aggregate Purchased Loan Balance; provided, that, for purposes of calculating this clause (c), all Loans included in the Collateral or to become part of the Collateral the Obligor of which is an Affiliate of another Obligor shall be aggregated with all Loans of such other Obligor;

(d) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans which are PIK Loans shall not exceed 15% of the Aggregate Purchased Loan Balance;

(e) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans that have remaining terms to maturity greater than 84 months (measured as of the most recent Reporting Date) shall not exceed 15% of the Aggregate Purchased Loan Balance;

(f) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans which are Qualifying Syndicated Loans, for which no Subsequent Delivery Trust Receipt (as defined in the Custody Agreement) has been received shall not exceed 10% of the Aggregate Purchased Loan Balance;

(g) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans which have a Risk Rating of CCC+/Caa1/3 or below shall not exceed 15% of the Aggregate Purchased Loan Balance;

(h) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans which are Revolver Loans shall not exceed 15% of the Aggregate Purchased Loan Balance;

(i) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans which have not been priced by an Approved Valuation Service for a period in excess of (i) 135 days from the last day of the fiscal quarter during which such Loans became Transferred Loans or (ii) 135 days from the last date on which such Loans were priced by an Approved Valuation Service (other than those Loans which have a long term credit rating from S&P or Moody's and have a quoted price by a financial institution rated at least A-1/P-1 that makes a market in such Loan or from a pricing service otherwise acceptable to the Managing Agents, which shall be expressly excluded from this subsection (i)) shall not exceed 0% of the Aggregate Purchased Loan Balance;

(j) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans that arise in connection with a Controlled Transaction shall not exceed 15% of the Aggregate Purchased Loan Balance;

(k) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans that are Fixed Rate Loans shall not exceed 45% of the Aggregate Purchased Loan Balance;

(l) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans that are Fixed Rate Loans which are not subject to a Hedge Transaction shall not exceed 20% of the Aggregate Purchased Loan Balance;

(m) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans that are Current Pay Loans shall not exceed 10% of the Aggregate Purchased Loan Balance;

(n) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans that are DIP Loans shall not exceed 10% of the Aggregate Purchased Loan Balance;

(o) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans that are not First Lien Loans shall not exceed 45% of the Aggregate Purchased Loan Balance.

(p) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans that are participation interests shall not exceed 10% of the Aggregate Purchased Loan Balance;

(q) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans for which the applicable Eligible Obligor is domiciled in Canada shall not exceed 5% of the Aggregate Purchased Loan Balance;

(r) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans which are Mezzanine Loans shall not exceed 5% of the Aggregate Purchased Loan Balance;

(s) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans that are Real Estate Loans shall not exceed 5% of the Aggregate Purchased Loan Balance;

(t) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans for which the Servicer has not calculated, at least once per calendar quarter within five Business Days after the date the Servicer provides the quarterly valuations for its serviced portfolio (commencing after the first anniversary of the date such Eligible Loan became a Transferred Loan), each of the following, in each case in accordance with the applicable Loan Documents for such corresponding Eligible Loan: EBITDA, Total Funded Debt, TTM EBITDA and each of the ratios required to be computed hereunder utilizing those three terms in the classification of such Loan hereunder shall not exceed 10% of the Aggregate Purchased Loan Balance;

(u) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans which are Excess Leverage Loans shall not exceed 20% of the Aggregate Purchased Loan Balance; and

(v) the Aggregate Adjusted Purchased Loan Balance of all Eligible Loans which are Second Lien Excess Leverage Loans shall not exceed 8% of the Aggregate Purchased Loan Balance.

"Excess Concentration Loan Amount" means, with respect to each Eligible Loan included as part of the Collateral, as of any date of determination, the amount to be subtracted from the Purchased Loan Balance of such Eligible Loan resulting in an Adjusted Purchased Loan Balance satisfying all Excess Concentration Limits for all Adjusted Purchased Loan Balances of all Eligible Loans, as allocated in the reasonable business judgment of the Borrower, or the Servicer on its behalf. For purposes of clarity, the Excess Concentration Loan Amounts shall be calculated without duplication under the limits set forth below in paragraphs (a)-(v) in the definition of "Excess Concentration Limits." In determining the effect of any single Loan on the Excess Concentration Loan Amount, the Servicer may determine, in its discretion, which of such applicable paragraphs (a)-(v) to utilize.

"Excess Leverage Loan" means any Eligible Loan (other than a Mezzanine Loan) having a Leverage Ratio greater than 6.25x.

"Excess Payment" is defined in Section 7.18(a)(xvii)(C).

"Facility Amount" means, at any time and as reduced or increased from time to time, pursuant to the terms of this Agreement the aggregate dollar amount of Commitments of all the Lenders, as of the date of determination; provided, however, that on or after the Termination Date, the Facility Amount shall be equal to the amount of Advances outstanding. As of the Amendment No. ~~9~~10 Effective Date, the Facility Amount is $~~200,000,000~~250,000,000. The Facility Amount may be increased up to a total of $300,000,000 in accordance with the provisions of Section 2.3(c).

"Fair Market Value" means, with respect to each Eligible Loan, (1) to the extent that such Eligible Loan does not have a long term credit rating from S&P or Moody's, the least of (a) to the extent priced by an Approved Valuation Service, the product of (x) the remaining principal amount of the Eligible Loan and (y) the pricing as determined by such Approved Valuation Service in its most recent quarterly pricing, (b) the remaining principal amount of such Eligible Loan and (c) if such Eligible Loan has been reduced in value below the remaining principal amount thereof (other than as a result of the allocation of a portion of the remaining principal amount to warrants), the value of such Eligible Loan as required by, and in accordance with, the 1940 Act, as amended, and any orders of the SEC issued to the Originator, to be determined by the Board of Directors of the Originator and reviewed by its auditors and (2) otherwise, the least of (a) (x) the remaining principal amount of such Eligible Loan times (y) the price quoted to the Borrower on such Eligible Loan from a financial institution rated at least A-1/P-1 that makes a market in such Eligible Loan or from a pricing service otherwise acceptable to the Managing Agents, (b) the remaining principal amount of such Eligible Loan and (c) if such Eligible Loan has been reduced in value below the remaining principal amount thereof (other than as a result of the allocation of a portion of the remaining principal amount to warrants), the value of such Eligible Loan as required by, and in accordance with, the 1940 Act, as amended, and any orders of the SEC issued to the Originator, to be determined by the Board of Directors of the Originator and reviewed by its auditors.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum for each day during such period equal to (a) the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the preceding Business Day) by the Federal Reserve Bank of New York; or (b) if such rate is not so published for any day which is a Business Day, the average of the quotations at approximately 10:30 a.m. (New York, New York time) for such day on such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

"Federal Reserve Bank of New York's Website" means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System.

"Fee Letter" means any letter agreement in respect of fees among the Borrower and the Administrative Agent or any Managing Agent, each as it may be amended or modified and in effect from time to time.

"Fifth Third" means Fifth Third Bank, National Association in its capacity either as a Lender or in its individual capacity, as applicable, and its successors or assigns.

"First Lien Loan" means a loan that is entitled to the benefit of a first lien and first priority perfected security interest on a substantial portion of the assets (net of any real estate) of the respective Obligors (including any guarantors) obligated in respect thereof, and which has the most senior pre-petition priority in any bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings, provided, however, that, in the case of accounts receivable and inventory (and the proceeds thereof), such lien and security interest may be second in priority to a working capital facility secured by a Permitted Working Capital Lien so long as the ratio of the amount outstanding under such working capital facility to TTM EBITDA is not greater than 1.5x. For the avoidance of doubt, in no event shall a First Lien Loan include a Last Out Loan, unless both the First Out Loan and the Last Out Loan are held by the Borrower or its Affiliates.

"First Out Loan" means a Loan that (a) constitutes an Eligible Loan which is a First Lien Loan, (b) is secured on a *pari passu* basis with a Last Out Loan by a perfected, first priority security interest in a substantial portion of the assets of the related Obligor, and (c) following the occurrence of a specified event or trigger under the applicable Loan Documents, will be paid in full prior to the payment of any portion of the related Last Out Loan issued by the same Obligor, in accordance with a specified priority of payment; provided, however, that if (i) the Borrower holds both the First Out Loan and related Last Out Loan of an Obligor, or (ii) the Borrower holds a First Out Loan of an Obligor and an Affiliate of Borrower holds the related Last Out Loan, then in either case, both Loans will be considered to be First Lien Loans provided all other requirements of this definition are satisfied.

"Fixed Rate Loan" means a Transferred Loan that bears interest at a fixed rate.

"Floating Rate Loan" means a Transferred Loan that bears interest at a floating rate.

"Floor" means a rate of interest equal to 0.35% per annum.

"Fronting Exposure" means, at any time there is a Defaulting Lender, with respect to the Swingline Lender, such Defaulting Lender's Applicable Percentage of outstanding Swing Advances made by the Swingline Lender other than Swing Advances as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders.

"Funding Date" means any day on which an Advance is made in accordance with and subject to the terms and conditions of this Agreement.

"Funding Request" means a Borrower Notice requesting an Advance and including the items required by Section 2.2.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States.

"Governmental Authority" means, with respect to any Person, any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any court or arbitrator having jurisdiction over such Person.

"Group Advance Limit" means, for each Lender Group, the sum of the Commitments of the Lenders in such Lender Group.

"Guarantor Event of Default" means the occurrence of any "Event of Default" under and as defined in the Performance Guaranty.

"Hedge Breakage Costs" means, for any Hedge Transaction, any amount payable by the Borrower for the early termination of that Hedge Transaction or any portion thereof.

"Hedge Collateral" is defined in Section 5.2(b).

"Hedge Counterparty" means KeyBank, Fifth Third or any other entity that (a) on the date of entering into any Hedge Transaction (i) is an interest rate swap dealer that is either a Lender or an Affiliate of a Lender, or has been approved in writing by the Administrative Agent (which approval shall not be unreasonably withheld), and (ii) has a short-term unsecured debt rating of not less than A-1 by S&P and not less than P-1 by Moody's, and (b) in a Hedging Agreement (i) consents to the assignment of the Borrower's rights under the Hedging Agreement to the Administrative Agent pursuant to Section 5.2(b) and (ii) agrees that in the event that S&P or Moody's reduces its short-term unsecured debt rating below A-1 or P-1, respectively, it shall transfer its rights and obligations under each Hedging Transaction to another entity that meets the requirements of clause (a) and (b) hereof or make other arrangements acceptable to the Administrative Agent and the Rating Agencies.

"Hedge Transaction" means each interest rate cap transaction between the Borrower and a Hedge Counterparty that is entered into pursuant to Section 5.2 and is governed by a Hedging Agreement.

"Hedging Agreement" means each agreement between the Borrower and a Hedge Counterparty that governs one or more Hedge Transactions entered into pursuant to Section 5.2, which agreement shall consist of a "Master Agreement" in a form published by the International Swaps and Derivatives Association, Inc., together with a "Schedule" thereto substantially in a form as the Administrative Agent shall approve in writing, and each "Confirmation" thereunder confirming the specific terms of each such Hedge Transaction.

"ICE Data Pricing" means ICE Data Pricing and Reference Data, LLC.

"Increased Costs" means any amounts required to be paid by the Borrower to an Affected Party pursuant to Section 2.12.

"Indebtedness" means, with respect to the Borrower or the initial Servicer at any date, (a) all indebtedness of such Person for borrowed money or for the deferred purchase price of property or services (other than current liabilities incurred in the ordinary course of business and payable in accordance with customary trade practices) or that is evidenced by a note, bond, debenture or similar instrument, (b) all obligations of such Person under capital leases, (c) all obligations of such Person in respect of acceptances issued or created for the account of such Person, (d) all liabilities secured by any Adverse Claims on any property owned by such Person even though such Person has not assumed or otherwise become liable for the payment thereof, and (e) all indebtedness, obligations or liabilities of that Person in respect of Derivatives, and (f) obligations under direct or indirect guaranties in respect of obligations (contingent or otherwise) to purchase or otherwise acquire, or to otherwise assure a creditor against loss in respect of, clauses (a) through (e) above.

"Indemnified Amounts" is defined in Section 9.1(a).

"Indemnified Party" is defined in Section 9.1(a).

"Independent Director" is defined in the LLC Agreement.

"Industry" means the industry of an Obligor as determined by reference to the Moody's Industry Classifications.

"Ineligible Loan" is defined in the Purchase Agreement.

"Insolvency Event" means, with respect to a specified Person, (a) the filing of a decree or order for relief by a court having jurisdiction in the premises in respect of such Person or any substantial part of its property in an involuntary case under any applicable Insolvency Law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for such Person or for any substantial part of its property, or ordering the winding-up or liquidation of such Person's affairs, and such decree or order shall remain unstayed and in effect for a period of 60 consecutive days; or (b) the commencement by such Person of a voluntary case under any applicable Insolvency Law now or hereafter in effect, or the consent by such Person to the entry of an order for relief in an involuntary case under any such law, or the consent by such Person to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for such Person or for any substantial part of its property, or the making by such Person of any general assignment for the benefit of creditors, or the failure by such Person generally to pay its debts as such debts become due, or the taking of action by such Person in furtherance of any of the foregoing.

"Insolvency Laws" means the Bankruptcy Code and all other applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, receivership, insolvency, reorganization, suspension of payments, or similar debtor relief laws from time to time in effect affecting the rights of creditors generally.

"Insolvency Proceeding" means any case, action or proceeding before any court or Governmental Authority relating to an Insolvency Event.

"Insurance Policy" means, with respect to any Transferred Loan, an insurance policy covering physical damage to or loss to any assets or Related Property of the Obligor securing such Loan.

"Insurance Proceeds" means any amounts payable or any payments made, to the Borrower or to the Servicer on its behalf under any Insurance Policy.

"Interest" means, for each Settlement Period and each Advance outstanding during such Settlement Period, the product of:

$$IR \times P \times \frac{AD}{360}$$

where

IR = the Interest Rate applicable to such Advance, resetting as and when specified herein;

P = the principal amount of such Advance on the first day of such Settlement Period, or if such Advance was first made during such Settlement Period, the principal amount of such Advance on the day such Advance is made; and

AD = the actual number of days in such Settlement Period, or if such Advance was first made during such Settlement Period, the actual number of days beginning on the day such Advance was first made through the end of such Settlement Period;

provided, however, that (i) no provision of this Agreement shall require or permit the collection of Interest in excess of the maximum permitted by Applicable Law and (ii) Interest shall not be considered paid by any distribution if at any time such distribution is rescinded or must otherwise be returned for any reason.

"Interest Collections" means any and all Collections which do not constitute Principal Collections.

"Interest Coverage Ratio" means, with respect to any calendar quarter, the percentage equivalent of a fraction, calculated as of the last Determination Date in such calendar quarter, (a) the numerator of which is equal to the aggregate Interest Collections for such calendar quarter and (b) the denominator of which is equal to the sum of (x) the aggregate amount payable pursuant to Section 2.8(a)(ii), (iv), (v) and (vii) hereunder and (y) an amount equal to the sum of the products, for each day during the related calendar quarter, of (i) the Advances Outstanding, (ii) the weighted average of the Servicing Fee Rates used to compute the Servicing Fee for such calendar quarter, and (iii) a fraction, the numerator of which is 1 and the denominator of which is 360.

"Interest Rate" means for any Settlement Period and any Advance:

(a) during the Revolving Period, a rate per annum equal to the Adjusted Term SOFR Rate plus the Applicable Margin; provided, however, that (i) upon the delivery of a notice from the Administrative Agent to the Borrower pursuant to Section 2.6(c) of this Agreement or (ii) during any Benchmark Unavailability Period, the Interest Rate shall be the Base Rate plus the Applicable Margin; and, provided, further, that the Interest Rate for the first two (2) Business Days following any Advance made by a Lender shall be the Base Rate plus the Applicable Margin unless such Lender has received at least two (2) Business Days' prior notice of such Advance; or

(b) during the Amortization Period, a rate equal to the Base Rate plus the Applicable Margin;

(c) at any time following an Early Termination Event, a rate equal to the Default Rate; or

(d) for a Swing Advance, a rate equal to the Base Rate plus the Applicable Margin.

"Interest Reset Date" means the first day of each calendar month, or, if the first day of such calendar month is not a Business Day, the immediately preceding Business Day

"Investment" means, with respect to any Person, any direct or indirect loan, advance or investment by such Person in any other Person, whether by means of share purchase, capital contribution, loan or otherwise, excluding the acquisition of assets pursuant to the Purchase Agreement and excluding commission, travel and similar advances to officers, employees and directors made in the ordinary course of business.

"Joinder Agreement" means a joinder agreement substantially in the form set forth in Exhibit D hereto pursuant to which a new Lender Group becomes party to this Agreement.

"Joint Lead Arrangers" is defined in the preamble hereto.

"KeyBank" means KeyBank National Association and its successors or assigns.

"Key Man Event" means the occurrence of either (i) none of David Gladstone, Terry Brubaker or David A. R. Dullum are servicing as executive officers of the Originator or (ii) less than two Approved Officers are serving as executive officers of the Originator and, in each such case, such failure of such designated Person to serve as executive officers of the Originator shall have continued for 180 days or more.

"Last Out Loan" means a Loan that (a) constitutes an Eligible Loan which is a First Lien Loan, (b) is secured on a *pari passu* basis with a First Out Loan by a perfected, first priority security interest in a substantial portion of the assets of the related Obligor, and (c) following the occurrence of a specified event or trigger under the applicable Loan Documents, will be paid only after all or a portion of the related First Out Loan issued by the same Obligor has been paid in full, in accordance with a specified priority of payment; provided, however, that if (i) the Borrower holds both the Last Out Loan and related First Out Loan of an Obligor, or (ii) the

Borrower holds both the Last Out Loan and related First Out Loan of an Obligor, or (ii) the

Borrower holds a Last Out Loan of an Obligor and an Affiliate of Borrower holds the related First Out Loan, then in either case, both Loans will be considered to be First Lien Loans provided all other requirements of the definition of a First Lien Loan are satisfied, and otherwise, the Last Out Loan will be considered to be a Second Lien Loan.

"Lender Group" means any group consisting of a Lender and its related Managing Agent.

"Lenders" is defined in the preamble hereto.

"Leverage Ratio" means, for any Eligible Loan, the ratio of Total Funded Debt to TTM EBITDA of such Eligible Loan.

"Lien" means, with respect to any Collateral, (a) any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such Collateral, or (b) the interest of a vendor or lessor under any conditional sale agreement, financing loan or other title retention agreement relating to such Collateral.

"Liquidation Expenses" means, with respect to any Defaulted Loan or Charged-Off Loan, the aggregate amount of out-of-pocket expenses reasonably incurred by the Borrower or on behalf of the Borrower by the Servicer (including amounts paid to any subservicer) in connection with the repossession, refurbishing and disposition of any related assets securing such Loan including the attempted collection of any amount owing pursuant to such Loan.

"LLC Agreement" means that certain Limited Liability Company Agreement dated October 19, 2006 between the Borrower and the Originator, as amended by that certain Amendment No. 1 to Limited Liability Company Agreement dated April 13, 2010.

"Loan" means any senior or subordinate loan arising from the extension of credit to an Obligor by the Originator in the ordinary course of the Originator's business.

"Loan Documents" means, with respect to any Loan, the related promissory note and any related loan agreement, security agreement, mortgage, assignment of mortgage, assignment of Loans, all guarantees, and UCC financing statements and continuation statements (including amendments or modifications thereof) executed by the Obligor thereof or by another Person on the Obligor's behalf in respect of such Loan and related promissory note, including, without limitation, general or limited guaranties and, for each Loan secured by real property an Assignment of Mortgage.

"Loan File" means, with respect to any Loan, each of the Loan Documents related thereto.

"Loan List" means the Loan List provided by the Borrower to the Administrative Agent and the Collateral Custodian, as set forth in Schedule II hereto (which shall include the specific documents that should be included in each Loan File), as the same may be changed from time to time in accordance with the provisions hereof.

"Lock-Box" means a post office box to which Collections are remitted for retrieval by a Lock-Box Bank and deposited by such Lock-Box Bank into a Lock-Box Account or Collection Account directly.

"Lock-Box Account" means an account, subject to a Deposit Account Control Agreement, maintained in the name of the Borrower for the purpose of receiving Collections at a Lock-Box Bank.

"Lock-Box Bank" means any of the banks or other financial institutions holding one or more Lock-Box Accounts.

"Managing Agent" means, as to any Lender, the financial institution identified as such on the signature pages hereof or in the applicable Assignment and Acceptance or Joinder Agreement.

"Mandatory Prepayment" is defined in Section 2.4(a).

"Margin Stock" is defined in Section 4.1(y).

"Market Servicing Fee" is defined in Section 7.20.

"Market Servicing Fee Differential" means, on any date of determination, an amount equal to the positive difference between the Market Servicing Fee and Servicing Fee.

"Material Adverse Change" means, with respect to any Person, any material adverse change in the business, condition (financial or otherwise), operations, performance, properties or prospects of such Person.

"Material Adverse Effect" means with respect to any event or circumstance, a material adverse effect on (a) the business, condition (financial or otherwise), operations, performance, properties or prospects of the Servicer or the Borrower, (b) the validity, enforceability or collectibility of this Agreement or any other Transaction Document or any Liquidity Agreement or the validity, enforceability or collectibility of the Loans, (c) the rights and remedies of the Administrative Agent or any Secured Party under this Agreement or any Transaction Document or any Liquidity Agreement or (d) the ability of the Borrower or the Servicer to perform its obligations under this Agreement or any other Transaction Document, or (e) the status, existence, perfection, priority, or enforceability of the Administrative Agent's or Secured Parties' interest in the Collateral.

"Maturity Date" means the date that is two years after the Termination Date. The Advances Outstanding will be due and payable in full on the Maturity Date.

"Maximum Lawful Rate" is defined in Section 2.6(d).

"Mezzanine Loan" means any assignment of, or participation interest or other interest in, a Loan that is not a First Lien Loan or a Second Lien Loan.

"Monthly Report" is defined in Section 7.11(a).

"Moody's" means Moody's Investors Service, Inc., and any successor thereto.

"Moody's Industry Classifications" means the classifications as set forth in Exhibit N. The classification under which an Eligible Loan is categorized shall be determined on the date of origination, and may be updated from time to time thereafter, in the reasonable discretion of the Borrower.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA that is or was at any time during the current year or the immediately preceding five years contributed to by the Borrower or any ERISA Affiliate on behalf of its employees.

"Net Worth" means, with respect to the Performance Guarantor, the total of net assets (determined in accordance with GAAP) plus Subordinated Debt (determined in accordance with GAAP, but excluding for purposes of testing compliance with Section 7.18(xiv) the impact of the election of ASC 825 or similar accounting guideline with respect to determining the fair value of the debt of the Performance Guarantor on a consolidated basis (for avoidance of doubt, the intent of this language is to cause the debt of the Performance Guarantor to be valued at par value rather than fair value)), less the total amount of any intangible assets, including without limitation, deferred charges and goodwill.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Notes" is defined in Section 2.5(a).

"Obligations" means all loans, advances, debts, liabilities and obligations, for monetary amounts owing by the Borrower to the Lenders, the Administrative Agent, the Managing Agents or any of their assigns, as the case may be, whether due or to become due, matured or unmatured, liquidated or unliquidated, contingent or non-contingent, and all covenants and duties regarding such amounts, of any kind or nature, present or future, arising under or in respect of any of this Agreement, any other Transaction Document or any Fee Letter delivered in connection with the transactions contemplated by this Agreement, or any Hedging Agreement, as amended or supplemented from time to time, whether or not evidenced by any separate note, agreement or other instrument. This term includes, without limitation, all principal, interest (including interest that accrues after the commencement against the Borrower of any action under the Bankruptcy Code), Breakage Costs, Hedge Breakage Costs, fees, including, without limitation, any and all arrangement fees, loan fees, facility fees, and any and all other fees, expenses, costs or other sums (including attorney costs) chargeable to the Borrower under any of the Transaction Documents or under any Hedging Agreement.

"Obligor" means, with respect to any Loan, the Person or Persons obligated to make payments pursuant to such Loan, including any guarantor thereof. For purposes of calculating the Excess Concentration Amount and the Required Equity Investment, all Loans included in the

Collateral or to become part of the Collateral the Obligor of which is an Affiliate of another Obligor shall be aggregated with all Loans of such other Obligor.

"Officer's Certificate" means a certificate signed by any officer of the Borrower or the Servicer, as the case may be, and delivered to the Administrative Agent.

"Operating Account" means the Borrower's operating account number 1388338400 at The Bank of New York Mellon Trust Company, N.A.

"Opinion of Counsel" means a written opinion of counsel, who may be counsel for the Borrower or the Servicer, as the case may be, and who shall be reasonably acceptable to the Administrative Agent.

"Originator" means Gladstone Investment Corporation, a Delaware corporation.

"Outstanding Loan Balance" means with respect to any Loan, the then outstanding principal balance thereof, provided, however, that with respect to Current Pay Loans, the "Outstanding Loan Balance" of such Loans shall be equal to 70% of the outstanding principal balance thereof.

"Participant" is defined in Section 11.1(f).

"Payment Date" means the ninth (9th) day of each calendar month or, if such day is not a Business Day, the next succeeding Business Day; provided that for purposes of distributions required pursuant to Section 2.8(a)(viii) only, "Payment Date" shall mean any Business Day.

"Performance Guarantor" is defined in the Performance Guaranty.

"Performance Guaranty" means the Performance Guaranty with respect to the obligations of the Servicer, dated as of the Closing Date, by the Originator in favor of the Borrower and the Administrative Agent, as amended by that certain Amendment No. 1 to Performance Guaranty dated as of April 14, 2009, that certain Amendment No. 2 to Performance Guaranty dated as of April 13, 2010, that certain Amendment No. 3 to Performance Guaranty dated as of October 26, 2011, that certain Amendment No. 4 to Performance Guaranty dated as of April 30, 2013, and as the same may be further amended, modified, supplemented or restated from time to time.

"Permitted Distribution" means any Distribution:

(a) if no Early Termination Event has occurred and is continuing or will occur as a result thereof, that is made in cash to the members of the Borrower so as to permit the Performance Guarantor to make distributions in cash to the holders of its capital stock to the extent necessary to comply with all applicable RIC/BDC Requirements and to avoid excise taxes imposed on RICs;

(b) if no Early Termination Event has occurred and is continuing or will occur as a result thereof, that is made within 180 days following the payment or prepayment of Advances Outstanding using the proceeds of an offering of securities by the Performance Guarantor (a "Paydown"), provided that such Distribution is in an amount no greater than the amount of such

Paydown and provided, further, that the proceeds of such Distribution are applied to retire securities (other debt or preferred stock) of the Performance Guarantor; and

(c) if no Early Termination Event has occurred and is continuing or will occur as a result thereof, after giving effect to which Availability is greater than the amount equal to the sum of the Aggregate Borrowing Base Contribution Amounts for the two Obligors having the two largest Aggregate Borrowing Base Contribution Amounts.

"Permitted Holder" means (a) David Gladstone, (b) spouses, parents and grandparents and any lineal descendants (including adopted children and their lineal descendants) of any Person described in the foregoing clause (a), and (c) any personal investment vehicle, trust or entity owned by, or established for the benefit of, or the estate of, any Person described in the foregoing clauses (a) through (b).

"Permitted Investments" means any one or more of the following types of investments:

(a) marketable obligations of the United States, the full and timely payment of which are backed by the full faith and credit of the United States and that have a maturity of not more than 270 days from the date of acquisition;

(b) marketable obligations, the full and timely payment of which are directly and fully guaranteed by the full faith and credit of the United States and that have a maturity of not more than 270 days from the date of acquisition;

(c) bankers' acceptances and certificates of deposit and other interest-bearing obligations (in each case having a maturity of not more than 270 days from the date of acquisition) denominated in dollars and issued by any bank with capital, surplus and undivided profits aggregating at least $100,000,000, the short-term obligations of which are rated A-1 by S&P and P-1 by Moody's;

(d) repurchase obligations with a term of not more than ten days for underlying securities of the types described in clauses (a), (b) and (c) above entered into with any bank of the type described in clause (c) above;

(e) commercial paper rated at least A-1 by S&P and P-1 by Moody's; and

(f) demand deposits, time deposits or certificates of deposit (having original maturities of no more than 365 days) of depository institutions or trust companies incorporated under the laws of the United States or any state thereof (or domestic branches of any foreign bank) and subject to supervision and examination by federal or state banking or depository institution authorities; provided, however that at the time such investment, or the commitment to make such investment, is entered into, the short-term debt rating of such depository institution or trust company shall be at least A-1 by S&P and P-1 by Moody's.

"Permitted Liens" means (i) Liens created pursuant to the Transaction Documents in favor of the Administrative Agent, as agent for the Secured Parties, (ii) Liens created under the

Loan Documents in favor of the Originator and its assigns, or (iii) Permitted Working Capital Liens.

"Permitted Working Capital Lien" means, with respect to an Obligor that is a borrower under a First Lien Loan, a Second Lien Loan or a Mezzanine Loan (collectively "Facility Loans"), a security interest granted to secure a working capital loan for such Obligor in the accounts receivable and/or inventory (and the proceeds thereof) of such Obligor and any of its subsidiaries that are guarantors of such working capital loan; provided, that (i) such Facility Loan has a junior priority lien on such accounts receivable and/or inventory (and the proceeds thereof), and (ii) such working capital facility is not secured by any other assets of such Obligor and does not benefit from any standstill rights or other similar creditor rights agreements (other than customary rights) with respect to any other assets of such Obligor.

"Person" means an individual, partnership, corporation (including a statutory trust), limited liability company, joint stock company, trust, unincorporated association, sole proprietorship, joint venture, government (or any agency or political subdivision thereof) or other entity.

"PIK Loan" means a Loan to an Obligor, which provides for a portion of the interest that accrues thereon to be added to the principal amount of such Loan for some period of the time prior to such Loan requiring the cash payment of interest on a monthly or quarterly basis.

"Portfolio Rate" means on any day, with respect to any Settlement Period, the annualized percentage equivalent of a fraction, the numerator of which is equal to all Interest Collections for such Settlement Period, and the denominator of which is equal to the average Advances Outstanding during such Settlement Period.

"Portfolio Yield" means on any day, the excess, if any, of (a) the Portfolio Rate on such day over (b) the Interest Rate on such day.

"Post-Termination Revolver Loan Fundings" means an advance by the Lenders, made on or following the Revolver Loan Funding Date, which may be used for the sole purpose of funding advances requested by Obligors under the Revolver Loans.

"Prime Rate" means the rate publicly announced by KeyBank from time to time as its prime rate in the United States, such rate to change as and when such designated rate changes. The Prime Rate is not intended to be the lowest rate of interest charged by KeyBank in connection with extensions of credit to debtors.

"Principal Collections" means any and all amounts received in respect of any principal due and payable under any Transferred Loan from or on behalf of Obligors that are deposited into the Collection Account, or received by the Borrower or on behalf of the Borrower by the Servicer or Originator in respect of the Transferred Loans, including, without limitation, proceeds of sales and any hedge termination payments, in the form of cash, checks, wire transfers, electronic transfers or any other form of cash payment.

"Proceeds" means, with respect to any Collateral, whatever is receivable or received when such Collateral is sold, collected, liquidated, foreclosed, exchanged, or otherwise disposed of, whether such disposition is voluntary or involuntary, including all rights to payment with respect to any insurance relating to such Collateral.

"Pro-Rata Share" means, with respect to any Lender on any day, the percentage equivalent of a fraction the numerator of which is such Lender's Commitment and the denominator of which is the Group Advance Limit of the related Lender Group.

"Projected Available Amount" is defined in Section 7.18(xvii)(B).

"Purchase Agreement" means the Purchase and Sale Agreement dated as of the Closing Date, between the Originator and the Borrower, as amended by that certain Amendment No. 1 to Purchase Agreement dated as of April 14, 2009, that certain Amendment No. 2 to Purchase Agreement dated as of October 26, 2011, that certain Amendment No. 3 to Purchase Agreement dated as of even date herewith, and as the same may be further amended, modified, supplemented or restated from time to time.

"Purchase Date" is defined in the Purchase Agreement.

"Purchased Loan Balance" means as of any date of determination and any Transferred Loan, the lesser of (i) the Outstanding Loan Balance of such Loan as of such date and (ii) the Fair Market Value of such Loan; provided that, for purposes of calculating the Fair Market Value in this definition when there is more than one Eligible Loan to an Obligor, all Eligible Loans to such Obligor shall be measured as a group under clauses (1)(a), 1(b) and 1(c), or 2(a), 2(b) or 2(c) as applicable, of the definition of Fair Market Value and the Fair Market Value for such Eligible Loans to a single Obligor as a group shall equal the lesser of 1(a), 1(b) or 1(c), or 2(a), 2(b) or 2(c) as applicable.

"Purchasing Lender" is defined in Section 11.1(b).

"Qualified Institution" means a depository institution or trust company organized under the laws of the United States or any one of the States thereof or the District of Columbia (or any domestic branch of a foreign bank), (i) (A) that has either (1) a long-term unsecured debt rating of A- or better by S&P and A-3 or better by Moody's or (2) a short-term unsecured debt rating or certificate of deposit rating of A-1 or better by S&P or P-1 or better by Moody's, (B) the parent corporation of which has either (1) a long-term unsecured debt rating of A- or better by S&P and A-3 or better by Moody's or (2) a short-term unsecured debt rating or certificate of deposit rating of A-1 or better by S&P and P-1 or better by Moody's or (C) is otherwise acceptable to the Administrative Agent and (ii) whose deposits are insured by the Federal Deposit Insurance Corporation.

"Qualifying Syndicated Loan" means any Loan designated by the Borrower as such in the Loan List.

"Quarterly Valuation Reports" is defined in Section 7.11.

"Real Estate Loan" means a Transferred Loan that is secured primarily by a mortgage, deed of trust or similar lien on commercial real estate (other than hotels, restaurants and casinos) or residential real estate.

"Records" means, with respect to any Transferred Loans, all documents, books, records and other information (including without limitation, computer programs, tapes, disks, punch cards, data processing software and related property and rights) maintained with respect to any item of Collateral and the related Obligors, other than the Loan Documents.

"Recoveries" means, with respect to any Defaulted Loan or Charged-Off Loan, Proceeds of the sale of any Related Property, Proceeds of any related Insurance Policy, and any other recoveries with respect to such Loan and Related Property, and amounts representing late fees and penalties, net of Liquidation Expenses and amounts, if any, received that are required to be refunded to the Obligor on such Loan.

"Register" is defined in Section 11.1(d).

"Related Property" means, with respect to a Loan, any property or other assets of the Obligor thereunder pledged as collateral to the Originator to secure the repayment of such Loan.

"Relevant Governmental Body" means the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York or any successor thereto.

"Reporting Date" means the date that is two (2) Business Days prior to each Payment Date.

"Repurchase Price" means for any Transferred Loan purchased by the Servicer pursuant to Section 7.7, an amount equal to the outstanding principal balance of such Loan as of the date of purchase, plus all accrued and unpaid interest on such Loan.

"Required Equity Investment" means the minimum amount of equity investment in the Borrower which shall be maintained by the Originator, in the form of Eligible Loans and/or cash having an outstanding principal balance at all times prior to the Termination Date of an amount equal to the greater of (i) $75,000,000 or (ii) the sum of the Purchased Loan Balances of the five largest Obligors (measured by Purchased Loan Balance of such Obligors).

"Required Lenders" means at a particular time, (i) if the Facility Amount is less than $100,000,000, Lenders with Commitments in excess of 66 2/3% of the Facility Amount and (ii) otherwise, Lenders with Commitments in excess of 50% of the Facility Amount; provided that at any time at which there are two or more Lenders, Required Lenders shall also require at least two Lenders. The Commitments and any outstanding Advances of any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"Required Minimum Obligors Test" means a test which is satisfied if, if the Aggregate Outstanding Loan Balance is (i) $100,000,000 or less, there shall be no fewer than 12 Obligors

included in the Collateral, and (ii) $100,000,001 or more, there shall be no fewer than 14 Obligors included in the Collateral.

"Required Reports" means collectively, the Monthly Report, the Servicer's Certificate, the annual and quarterly financial statements of the Servicer and the consolidating annual and quarterly financial statements of the Originator and the Borrower, and the Quarterly Valuation Reports, in each case, required to be delivered to the Borrower, the Managing Agents, the Administrative Agent and/or the Backup Servicer pursuant to Section 7.11 hereof.

"Responsible Officer" means, as to the Borrower, David Gladstone, Terry Brubaker, Rachael Easton or David A. R. Dullum, and as to any other Person, any officer of such Person with direct responsibility for the administration of this Agreement and also, with respect to a particular matter, any other officer to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject. The Borrower may designate other Responsible Officers from time to time by notice to the Administrative Agent.

"Revolver Advance" means an advance made to the Borrower under this Agreement pursuant to Section 2.1(a).

"Revolver Loan" means each Loan with respect to which the Borrower has a revolving credit commitment to advance amounts to the applicable Obligor during a specified term.

"Revolver Loan Funding" is defined in Section 2.14(a).

"Revolver Loan Funding Account" is defined in Section 2.14(a).

"Revolver Loan Funding Account Shortfall" means, on any date, the amount, if any, by which the Revolver Loan Unfunded Commitment Amount at such time exceeds the aggregate amount on deposit in the Revolver Loan Funding Accounts.

"Revolver Loan Funding Account Surplus" means, on any date, the amount, if any, by which the amount on deposit in the Revolver Loan Funding Accounts exceeds the Revolver Loan Unfunded Commitment Amount at such time.

"Revolver Loan Funding Date" means the Termination Date, if Revolver Loans are outstanding on such date.

"Revolver Loan Funding Fee" is defined in Section 2.14(a).

"Revolver Loan Unfunded Commitment Amount" means, at any time, the aggregate unfunded commitments under the Revolver Loans at such time.

"Revolving Period" means the period commencing on the Effective Date and ending on the day immediately preceding the Termination Date.

"RIC/BDC Requirements" means the requirements the Performance Guarantor must satisfy to maintain its status as a "business development company," within the meaning of the

Small Business Incentive Act of 1980 (Section 2(a)(48) of the Investment Company Act), and its election to be treated as a "registered investment company" under the Code.

"Risk Rating" means, with respect to any Loan at any time, if such Loan is at such time (i) rated by both S&P and Moody's, the lower of such ratings, (ii) rated by either S&P or Moody's, such rating or (iii) not rated by either S&P or Moody's, the rating determined by the Servicer's risk rating model.

"Rolling Three-Month Charged-Off Ratio" means, for any day, the rolling three period average Charged-Off Ratio for the three immediately preceding Settlement Periods.

"Rolling Three-Month Default Ratio" means, for any day, the rolling three period average Default Ratio for the three immediately preceding Settlement Periods.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. and any successor thereto.

"Scheduled Payment" means, on any Determination Date, with respect to any Loan, each monthly payment (whether principal, interest or principal and interest) scheduled to be made by the Obligor thereof after such Determination Date under the terms of such Loan.

"Second Lien Loan" means a Loan (other than a First Lien Loan) that is entitled to the benefit of a first and/or second lien and first and/or second priority perfected security interest on a substantial portion of the assets of the respective Obligors; provided, however, that, in the case of accounts receivable and inventory (and the proceeds thereof), such lien and security interest may be junior in priority to a working capital facility secured by a Permitted Working Capital Lien. For the avoidance of doubt, Last Out Loans (other than to the extent specifically contemplated in the definition of "First Out Loan") are considered Second Lien Loans.

"Secured Party" means (i) each Lender, (ii) each Managing Agent, and (iii) each Hedge Counterparty that is either a Lender or an Affiliate of a Lender if that Affiliate executes a counterpart of this Agreement agreeing to be bound by the terms of this Agreement applicable to a Secured Party.

"Servicer" means Gladstone Management Corporation, a Delaware corporation, and its permitted successors and assigns.

"Servicer Advance" means an advance of Scheduled Payments made by the Servicer pursuant to Section 7.5.

"Servicer Termination Event" is defined in Section 7.18.

"Servicer's Certificate" is defined in Section 7.11(b).

"Servicing Duties" means those duties of the Servicer which are enumerated in Section 7.2.

"Servicing Fee" means, for each Payment Date, an amount equal to the sum of the products, for each day during the related Settlement Period, of (i) the Outstanding Loan Balance of each Loan as of the preceding Determination Date, (ii) the applicable Servicing Fee Rate, and (iii) a fraction, the numerator of which is 1 and the denominator of which is 360.

"Servicing Fee Limit Amount" means for each Payment Date, an amount equal to 10% of the Servicing Fee for the related Settlement Period.

"Servicing Fee Rate" means with respect to all Loans, a rate equal to 2.0% per annum.

"Servicing Records" means all documents, books, records and other information (including, without limitation, computer programs, tapes, disks, data processing software and related property rights) prepared and maintained by the Servicer with respect to the Transferred Loans and the related Obligors.

"Settlement Period" means each period from and including a Payment Date to but excluding the following Payment Date.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Advance" means each Advance bearing interest at a rate based upon the Adjusted Term SOFR Rate.

"SOFR Business Day" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"Solvent" means, as to any Person at any time, having a state of affairs such that all of the following conditions are met: (a) the fair value of the property owned by such Person is greater than the amount of such Person's liabilities (including disputed, contingent and unliquidated liabilities) as such value is established and liabilities evaluated for purposes of Section 101(32) of the Bankruptcy Code; (b) the present fair salable value of the property owned by such Person in an orderly liquidation of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured; (c) such Person is able to realize upon its property and pay its debts and other liabilities (including disputed, contingent and unliquidated liabilities) as they mature in the normal course of business; (d) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature; and (e) such Person is not engaged in business or a transaction, and is not about to engage in a business or a transaction, for which such Person's property would constitute unreasonably small capital.

"Spread" means, with respect to Floating Rate Loans, the cash interest spread of such Floating Rate Loan over the Adjusted Term SOFR Rate.

"Structured Finance Obligation" means any Loan or security the payment or repayment of which is based primarily upon the collection of payments from a specified pool of financial assets, either fixed or revolving, that by their terms convert into cash within a finite time period, together with any rights or other assets designed to assure the servicing or timely distribution of proceeds to security holders, including, in any event, any project finance security, any asset backed security and any future flow security.

"Subordinated Debt" means any debt that is subordinated in right of payment to other debt of the Performance Guarantor.

"Successor Servicer" is defined in Section 7.19(a).

"Supplemental Interests" means, with respect to any Transferred Loan, any warrants, equity or other equity interests or interests convertible into or exchangeable for any such interests received by the Originator from the Obligor in connection with such Transferred Loan.

"Swap Breakage and Indemnity Amounts" means any early termination payments, taxes, indemnification payments and any other amounts owed to a Hedge Counterparty under a Hedging Agreement that do not constitute monthly payments.

"Swing Advance" means an Advance made by the Swingline Lender pursuant to Section 2.1(b).

"Swing Prepayment Amount" is defined in Section 12.16(e).

"Swingline Lender" means KeyBank, in its capacity as lender of Swing Advances hereunder.

"Swingline Note" means the promissory note of the Borrower, substantially in the form of Exhibit B-2, evidencing the obligation of the Borrower to repay the Swing Advances, together with all amendments, consolidations, modifications, renewals, and supplements thereto.

"Taxes" means any present or future taxes, levies, imposts, duties, charges, assessments or fees of any nature (including interest, penalties, and additions thereto) that are imposed by any Government Authority.

"Termination Date" means the earliest to occur of (a) the date declared by the Administrative Agent or occurring automatically in respect of the occurrence of an Early Termination Event pursuant to Section 8.1, (b) a date selected by the Borrower upon at least 30 days' prior written notice to the Administrative Agent and each Managing Agent and (c) the Commitment Termination Date.

"Termination Notice" is defined in Section 7.18.

"Termination Premium" is defined in Section 2.3(a).

"Term SOFR" means for any calculation with respect to a SOFR Advance, the Term SOFR Reference Rate on the day (such day, the "Lookback Day") that is two SOFR Business Days prior to the first day of such Settlement Period (and rounded in accordance with the Administrative Agent's customary practice), as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Lookback Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding SOFR Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding SOFR Business Day is not more than three SOFR Business Days prior to such Lookback Day.

"Term SOFR Administrator" means CBA (or a successor administrator of the Term SOFR Reference Rate, as selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR for a period of 30 days.

"Total Funded Debt" means, with respect to any Obligor, at any time the same is to be determined, the sum (without duplication) at such time of (a) all indebtedness for borrowed money of such Obligor and its subsidiaries to Borrower; plus (b) all indebtedness for borrowed money of the Obligor and its subsidiaries to any creditor other than the Borrower; provided, however, that any indebtedness for borrowed money which is (x) subordinated in right of payment of the Loans to such Obligor and (y) owed to a creditor other than the Originator or any of its Affiliates shall be excluded from this clause (b); plus (c) all indebtedness of any other Person, whether secured or unsecured, which (i) is directly or indirectly guaranteed by the Obligor or any of its subsidiaries, (ii) the Obligor or any of its subsidiaries has agreed (contingently or otherwise) to purchase or otherwise acquire, or (iii) the Obligor or any of its subsidiaries has otherwise assured a creditor against loss; provided, however, that any indebtedness which is (A) subordinated in right of payment of the Loans to such Obligor and (B) owed to a creditor other than the Originator or any of its Affiliates shall be excluded from this clause (c).

"Transaction Documents" means this Agreement, the Purchase Agreement, all Hedging Agreements, the Custody Agreement, the Backup Servicing Agreement, the Deposit Account Control Agreements for the Collection Account, the Lock-Box Account and each Operating Account, the Performance Guaranty, any Assignments of Mortgage and any additional document, letter, fee letter, certificate, opinion, agreement or writing the execution of which is necessary or incidental to carrying out the terms of the foregoing documents.

"Transferred Loans" means each Loan that is acquired or in which an interest is acquired by the Borrower under the Purchase Agreement and all Loans received by the Borrower in respect of the Required Equity Investment. Any Transferred Loan that is (i) repurchased or reacquired by the Originator pursuant to the terms of Section 6.1 of the Purchase Agreement, (ii)

purchased by the Servicer pursuant to the terms of Section 7.7 or (iii) otherwise released from the lien of this Agreement pursuant to Section 6.3 shall not be treated as a Transferred Loan for purposes of this Agreement (provided that the purchase or repurchase of any Defaulted Loan or Charged-Off Loan shall not alter such Transferred Loan's status as a Defaulted Loan or Charged-Off Loan for purposes of calculating ratios for periods occurring prior to the purchase or repurchase of such Transferred Loan).

"Transition Costs" means the reasonable costs and expenses incurred by the Backup Servicer in transitioning to Servicer; provided, however, that the Administrative Agent's consent shall be required if such Transition Costs exceed $50,000.00 in the aggregate.

"TTM EBITDA" means, with respect to any Obligor, as of any particular date, the EBITDA of such Obligor for the preceding twelve-month period.

"UCC" means the Uniform Commercial Code as from time to time in effect in the specified jurisdiction or, if no jurisdiction is specified, the State of New York.

"United States" means the United States of America.

"Unmatured Termination Event" means an event that, with the giving of notice or lapse of time, or both, would become an Early Termination Event.

"Unreimbursed Servicer Advances" means, at any time, the amount of all previous Servicer Advances (or portions thereof) as to which the Servicer has not been reimbursed as of such time pursuant to Section 2.8 and that the Servicer has determined in its sole discretion will not be recoverable from Collections with respect to the related Transferred Loan.

"Unused Commitment" means, as to any Lender at any time, the amount by which such Lender's Commitment at such time exceeds the aggregate Advances Outstanding in respect of such Lender.

"Unused Fee" means, for any Settlement Period or portion thereof occurring prior to the Commitment Termination Date, an amount equal to the sum of the following for each day during such Settlement Period: (i) 1.00% per annum on the unused amount of the Commitments for such day if such unused amount is more than sixty-five percent (65%), (ii) 0.75% per annum on the unused amount of the Commitments for such day if such unused amount is more than fifty percent (50%) and equal to or less than sixty-five percent (65%) and (iii) 0.50% per annum on the unused amount of the Commitments for such day if such unused amount is equal to or less than fifty percent (50%).

"Weighted Average Fixed Coupon" means, as of any date of determination, the number, expressed as a percentage, obtained by summing the products obtained by multiplying the cash interest coupon of each Fixed Rate Loan (excluding Defaulted Loans) as of such date by the Outstanding Loan Balance of such Loans as of such date, dividing such sum by the aggregate Outstanding Loan Balance of all such Fixed Rate Loans and rounding up to the nearest 0.01%.

For the purpose of calculating the Weighted Average Fixed Coupon, all Fixed Rate Loans that are not currently paying cash interest shall have an interest rate of 0%.

"Weighted Average Floating Spread" means, as of any date of determination, the number, expressed as a percentage, obtained by summing the products obtained by multiplying, in the case of each Floating Rate Loan (excluding Defaulted Loans) on an annualized basis, the Spread of such Loans (including commitment, letter of credit and all other fees), by the Outstanding Loan Balance of such Loans as of such date and dividing such sum by the aggregate Outstanding Loan Balance of all such Floating Rate Loans and rounding the result up to the nearest 0.01%.

"Weighted Average Life" means, with respect to the Transferred Loans as of any determination date, (i) the quotient obtained by dividing (A) the sum of the amounts calculated for each month (beginning with the month in which such determination is being made and ending with the month in which the last principal payment is scheduled to be received with respect to the Transferred Loans), which amount for each such month shall be equal to the product of (x) the scheduled principal payment amount for the Transferred Loans for such month, multiplied by (y) the number of months that such month occurs from the month in which such determination date occurs (e.g., the month in which such determination date occurs shall have a value of 1, the month occurring immediately after the month in which such determination date occurs shall have a value of 2 etc.) by (B) the total amount of all scheduled principal payments to be received under the Transferred Loans as of such determination date, divided by (ii) 12.

"Weighted Average Spread" means, as of any date of determination, an amount (rounded up to the next 0.01%) equal to the weighted average of (a) for Floating Rate Loans, the Weighted Average Floating Spread of the Floating Rate Loans and (b) for Fixed Rate Loans, the excess of the Weighted Average Fixed Coupon of the Fixed Rate Loans over the then-current weighted average strike rate under the Hedge Transactions, or, if there are no Hedge Transactions outstanding, over the then current Adjusted Term SOFR Rate.

"Williams Mullen Opinion" means the "non-consolidation" opinion letter of Williams Mullen delivered on April 30, 2013, as such opinion letter may be modified, supplemented, replaced or confirmed in any subsequent opinion letter covering such subject matter delivered to the Administrative Agent.

Section 1.2 Other Terms.

All accounting terms not specifically defined herein shall be construed in accordance with GAAP. To the extent any change in GAAP after the Effective Date resulting from the adoption of international accounting standards in the United States affects any computation or determination required to be made under or pursuant to this Agreement, including any computation or determination made with respect to the Borrower or Servicer's compliance with any covenant or condition hereunder, such computation or determination shall be made as if such change in GAAP had not occurred. All terms used in Article 9 of the UCC in the State of New York, and not specifically defined herein, are used herein as defined in such Article 9.

Section 1.3 Computation of Time Periods.

Unless otherwise stated in this Agreement, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding."

Section 1.4 Interpretation.

In each Transaction Document, unless a contrary intention appears:

(i) the singular number includes the plural number and vice versa;

(ii) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by the Transaction Document;

(iii) reference to any gender includes each other gender;

(iv) reference to any agreement (including any Transaction Document), document or instrument means such agreement, document or instrument as amended, supplemented or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms of the other Transaction Documents and reference to any promissory note includes any promissory note that is an extension or renewal thereof or a substitute or replacement therefor; and

(v) reference to any Applicable Law means such Applicable Law as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder and reference to any section or other provision of any Applicable Law means that provision of such Applicable Law from time to time in effect and constituting the substantive amendment, modification, codification, replacement or reenactment of such section or other provision.

Section 1.5 SOFR Notification.

The interest rate on Advances may be determined by reference to a benchmark rate that is, or may in the future become, the subject of regulatory reform or cessation. The Administrative Agent does not warrant or accept responsibility for, and shall not, in the absence of any gross negligence or willful misconduct on its part, have any liability with respect to (a) the continuation of, administration of, or submission of the Base Rate, the Term SOFR Reference Rate, the Adjusted Term SOFR Rate or Term SOFR, or any component definition thereof or rates referred to in the definition thereof or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Base Rate, the Term SOFR Reference Rate, the Adjusted Term SOFR Rate or Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Benchmark Replacement Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Base Rate, the Term SOFR Reference Rate, Term SOFR, the Adjusted Term SOFR Rate, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Base Rate, the Term SOFR Reference Rate, Term SOFR, the Adjusted Term SOFR Rate or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall, in the absence of any gross negligence or willful misconduct on its part, have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error in any such rate (or component thereof) provided by any such information source or service. In connection with the use or administration of Term SOFR, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Benchmark Replacement Conforming Changes in connection with the use or administration of Term SOFR.

ARTICLE II

ADVANCES

Section 2.1 Advances.

(a) Revolver Advances. On the terms and conditions hereinafter set forth, the Borrower may, by delivery of a Funding Request to the Administrative Agent, from time to time on any Business Day during the Revolving Period, at its option, request that the Lenders make Revolver Advances to it in an amount which, at any time, shall not exceed the Availability in

effect on the related Funding Date; provided, however, that the Borrower may not, without the consent of each Lender, request more than five (5) Revolver Advances per calendar month. Such Funding Request shall be delivered not later than 12:00 noon (New York, New York time) on the date which is one (1) Business Day prior to the requested Funding Date. Following receipt by the Administrative Agent of a Funding Request, the Administrative Agent shall forward such Funding Request to each Managing Agent not later than 1:00 p.m. (New York, New York time) that day. Upon receipt of such Funding Request, each Managing Agent shall promptly forward such Funding Request to its related Lenders, and the applicable portion of the Revolver Advance will be made by the Lenders in such Lender Group in accordance with their Pro-Rata Shares. Notwithstanding anything contained in this Section 2.1 or elsewhere in this Agreement to the contrary, no Lender shall be obligated to make any Revolver Advance in an amount that would (i) result in the aggregate Advances then funded by such Lender exceeding its Commitment then in effect or (ii) cause the average amount of Advances Outstanding to increase by more than $40,000,000 during the 32-day period ending on the related Funding Date of such Advance; provided, that the foregoing amount set forth in this clause (ii) may be increased (i) upon no less than 32 days prior written notice from the Borrower to the Administrative agent or (ii) by the Administrative Agent in its sole discretion. The obligation of each Lender to remit its Pro-Rata Share of any such Revolver Advance shall be several from that of each other Lender, and the failure of any Lender to so make such amount available to the Borrower shall not relieve any other Lender of its obligation hereunder. Each Revolver Advance to be made hereunder shall be made ratably among the Lender Groups in accordance with their Group Advance Limits.

(b) Swing Advances. In addition to the foregoing, the Swingline Lender shall from time to time, upon the request of the Borrower by delivery of a Funding Request to the Administrative Agent, if the conditions precedent in Article III have been satisfied, make Swing Advances to the Borrower in an aggregate principal amount at any time outstanding not exceeding $10,000,000; provided that, immediately after such Swing Advance is made, the aggregate principal amount of all Revolver Advances and Swing Advances shall not exceed the lesser of the Facility Amount or the Borrowing Base at such time. Each Swing Advance under this Section 2.1(b) shall be in an aggregate principal amount of $2,000,000 or any larger multiple of $1,000,000. Within the foregoing limits, the Borrower may borrow under this Section 2.1(b), prepay and reborrow under this Section 2.1(b) at any time before the Termination Date. Solely for purposes of calculating fees under Section 2.7, Swing Advances shall not be considered a utilization of an Advance of the Swingline Lender or any other Lender hereunder. At any time, upon the request of the Swingline Lender, each Lender other than the Swingline Lender shall, on the third Business Day after such request is made, purchase a participating interest in Swing Advances in an amount equal to its Applicable Percentage of such Swing Advances. On such third Business Day, each Lender will immediately transfer to the Swingline Lender, in immediately available funds, the amount of its participation. Whenever, at any time after the Swingline Lender has received from any such Lender its participating interest in a Swing Advance, the Administrative Agent receives any payment on account thereof, the Administrative Agent will distribute to such Lender its participating interest in such amount (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's participating interest was outstanding and funded); provided, however, that in the event that such payment received by the Administrative Agent is required to be returned, such Lender will return to the Administrative Agent any portion thereof previously distributed by the

Administrative Agent to it. Each Lender's obligation to purchase such participating interests shall be absolute and unconditional and shall not be affected by any circumstance, including: (i) any set-off, counterclaim, recoupment, defense or other right which such Lender or any other Person may have against the Swingline Lender requesting such purchase or any other Person for any reason whatsoever; (ii) the occurrence or continuance of a Default or the termination of the Commitments; (iii) any adverse change in the condition (financial, business or otherwise) of the Borrower, the Performance Guarantor, the Servicer or any other Person; (iv) any breach of this Agreement by any Loan Party or any other Lender; or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing. The Borrower may, concurrent with the delivery of a Funding Request for a Swing Advance under this Section 2.1(b) or at any time thereafter, deliver a Funding Request for a Revolver Advance pursuant to Section 2.1(a) and direct that all or any portion of such Revolver Advance be wired or credited to Swingline Lender immediately on the Funding Date of such Revolver Advance to prepay any Swing Advance then outstanding.

Section 2.2 Procedures for Advances.

(a) In the case of the making of any Advance, the repayment of any Advance, or any termination, increase or reduction of the Facility Amount and prepayments of Advances, the Borrower shall give the Administrative Agent a Borrower Notice. Each Borrower Notice shall specify the amount (subject to Section 2.1 hereof) of Advances to be borrowed or repaid and the Funding Date or repayment date (which, in all cases, shall be a Business Day) and whether such Advance is a Revolver Advance or a Swing Advance.

(b) Subject to the conditions described in Section 2.1, the Borrower may request an Advance from the Lenders by delivering to the Administrative Agent at certain times the information and documents set forth in this Section 2.2.

(c) No later than 12:00 noon (New York, New York time) five (5) Business Days prior to the proposed Funding Date for a Revolver Advance (or such shorter period of time or later date as may be agreed to by the Required Lenders), the Borrower shall notify (i) the Collateral Custodian by delivery to the Collateral Custodian of written notice of such proposed Funding Date, and (ii) the Administrative Agent by delivery to the Administrative Agent of a credit report and transaction summary for each Loan that is the subject of the proposed Advance setting forth the credit underwriting by the Originator of such Loan, including without limitation a description of the Obligor and the proposed loan transaction in the form of Exhibit M hereto; provided that, in the case of Advances funding Revolver Loans, the requirements of this Section 2.2(c) shall apply only with respect to the first Advance to be made with respect to each such Revolver Loan. By 5:00 p.m. (New York, New York time) on the next Business Day, the Administrative Agent shall use its best efforts to confirm to the Borrower the receipt of such items and whether it has reviewed such items and found them to be complete and in proper form. If the Administrative Agent makes a determination that the items are incomplete or not in proper form, it will communicate such determination to the Borrower. Failure by the Administrative Agent to respond to the Borrower by 5:00 p.m. (New York, New York time) on the day the related Funding Request is delivered by the Borrower shall constitute an implied determination that the items are incomplete or not in proper form. The Borrower will take such steps requested by the Administrative Agent to correct the problem(s). In the event of a delay in the actual

Funding Date due to the need to correct any such problems, the Funding Date shall be no earlier than two (2) Business Days after the day on which the Administrative Agent confirms to the Borrower that the problems have been corrected.

(d) No later than 1:00 p.m. (New York, New York time) one (1) Business Day prior to the proposed Funding Date for a Revolver Advance (or such shorter period of time or later date as may be agreed to by the Required Lenders), the Administrative Agent, each Managing Agent and the Collateral Custodian, as applicable, shall receive or shall have previously received the following:

(i) a Funding Request in the form of Exhibit A;

(ii) a wire disbursement and authorization form shall be delivered to the Administrative Agent; and

(iii) a certification substantially in the form of Exhibit H concerning the Collateral Custodian's receipt of certain documentation relating to the Eligible Loan(s) related to such Advance shall be delivered to the Administrative Agent, which may be delivered either as a separate document or incorporated in the Monthly Report.

Each Funding Request for a Revolver Advance shall specify the aggregate amount of the requested Advance, which shall be in an amount equal to at least $500,000.

(e) No later than 12:00 noon (New York, New York time) on the Business Day proposed for a Swing Advance, the Administrative Agent shall receive or shall have previously received the following:

(i) a Funding Request in the form of Exhibit A; and

(ii) a wire disbursement and authorization form.

(f) Each Funding Request shall be accompanied by (i) a Borrower Notice, depicting the outstanding amount of Advances under this Agreement and representing that all conditions precedent for a funding have been met, including a representation by the Borrower that the requested Advance shall not, on the Funding Date thereof, exceed the Availability on such day, (ii) a calculation of the Borrowing Base as of the applicable Funding Date (which calculation may, for avoidance of doubt, take into account (A) Loans which will become Transferred Loans on or prior to such Funding Date and (B) an updated Loan List including each Loan that is subject to the requested Advance, (C) the proposed Funding Date, and (D) wire transfer instructions for the Advance; provided, however, the Funding Request for a Swing Advance shall be required to contain only the information described in Section 2.2(e)(i) and (ii) above. A Funding Request shall be irrevocable when delivered; provided however, that if the Borrowing Base calculation delivered pursuant to clause (ii) above includes a Loan which does not become a Transferred Loan on or before the applicable Funding Date as anticipated, and the Borrower cannot otherwise make the representations required pursuant to clause (i) above, the Borrower

shall revise the Funding Request accordingly, and shall pay any loss, cost or expense incurred by any Lender in connection with the broken funding evidenced by such revised Funding Request.

(g) On the Funding Date following the satisfaction of the applicable conditions set forth in this Section 2.2 and Article III, the Lenders shall make available to the Administrative Agent at its address listed beneath its signature on its signature page to this Agreement (or on the signature page to the Joinder Agreement pursuant to which it became a party hereto), for deposit to the account of the Borrower or its designee in same day funds, at the account specified in the Funding Request, an amount equal to such Lender's ratable share of the Advance then being made (except that in the case of a Swing Advance, the Swingline Lender will make available to the Borrower the amount of any such Swing Advance). Each wire transfer of an Advance to the Borrower shall be initiated by the applicable Lender no later than 3:00 p.m. (New York, New York time) on the applicable Funding Date.

Section 2.3 Optional Changes in Facility Amount; Prepayments.

(a) The Borrower shall be entitled at its option, on any Payment Date prior to the occurrence of an Early Termination Event, to reduce the Facility Amount in whole or in part; provided that (i) the Borrower shall give prior written notice of such reduction to the Administrative Agent and each Managing Agent as provided in paragraph (b) of this Section 2.3, (ii) that any partial reduction of the Facility Amount shall be in an amount equal to $3,000,000 with integral multiples of $500,000 above such amount and (iii) if such reduction shall occur on or prior to November 16, 2018, the Borrower shall, on the effective date of such reduction, pay to each Managing Agent, for the benefit of the related Lenders in its Lender Group, an amount (the "Termination Premium") equal to the product of (x) the amount of such reduction and (y) 0.50%, to be paid ratably to in accordance with the amount of such Lender Group's Commitment on the Business Day immediately preceding such reduction. Unless otherwise agreed by the Lenders, the Commitment of each Lender shall be reduced ratably in proportion to such reduction in the Facility Amount. Each such optional prepayment shall be applied first to any Swing Line Advances outstanding and then to prepay ratably the Revolver Advances. Any request for a reduction or termination pursuant to this Section 2.3 shall be irrevocable.

(b) From time to time during the Revolving Period, the Borrower may prepay any portion or all of the Advances Outstanding, other than with respect to Mandatory Prepayments, by delivering to the Administrative Agent and each Managing Agent a Borrower Notice at least two (2) Business Days prior to the date of such repayment; provided that no such reduction shall be given effect unless the Borrower has complied with the terms of any Hedging Agreement requiring that one or more Hedge Transactions be terminated in whole or in part as the result of any such prepayment of the Advances Outstanding, and the Borrower has paid all Hedge Breakage Costs owing to the relevant Hedge Counterparty for any such termination. If any Borrower Notice relating to any prepayment is given, the amount specified in such Borrower Notice and any Breakage Costs (including Hedge Breakage Costs) related thereto shall be due and payable on the date specified therein, and accrued Interest to the payment date on the amount prepaid shall be paid on the next succeeding Payment Date. Any partial prepayment by the Borrower of Advances hereunder, other than with respect to Mandatory Prepayments, shall be in a minimum amount of $500,000 with integral multiples of $100,000 above such amount. Any amount so prepaid may, subject to the terms and conditions hereof, be reborrowed during

the Revolving Period. A Borrower Notice relating to any such prepayment shall be irrevocable when delivered.

(c) Subject to the terms and conditions set forth herein, the Borrower shall have the right, at any time from August 22, 2018 until the Commitment Termination Date, to increase the Facility Amount by an amount up to $100,000,000 (for a total maximum Facility Amount of $300,000,000). The following terms and conditions shall apply to any such increase: (i) any such increase shall be obtained from existing Lenders or from other Eligible Assignees, in each case in accordance with the terms set forth below; (ii) the Commitment of any Lender may not be increased without the prior written consent of such Lender; (iii) any increase in the Facility Amount shall be in a minimum principal amount of $5,000,000; (iv) the Borrower and Lenders shall execute an acknowledgement (or in the case of the addition of a bank or other financial institution not then a party to this Agreement, a Joinder Agreement) in form and content satisfactory to the Administrative Agent to reflect the revised Commitments and Facility Amount (the Lenders do hereby agree to execute such acknowledgement (or Joinder Agreement) without delay unless the acknowledgement purports to (i) increase the Commitment of a Lender without such Lender's consent or (ii) amend this Agreement or the other Transaction Documents other than as provided for in this Section 2.3); (v) the Borrower shall execute such promissory notes as are necessary to reflect the increase in or creation of the Commitments; (vi) if any Advances are outstanding at the time of any such increase, the Borrower shall make such payments and adjustments on the Advances (including payment of any Breakage Costs owing under Section 2.11 hereof) as necessary to give effect to the revised commitment percentages and outstandings of the Lenders; (vii) the Borrower may solicit commitments from Eligible Assignees that are not then a party to this Agreement so long as such Eligible Assignees are reasonably acceptable to the Administrative Agent and execute a Joinder Agreement in form and content satisfactory to the Administrative Agent; (viii) the conditions set forth in Section 3.2 shall be satisfied in all material respects; (ix) after giving effect to any such increase in the Facility Amount, no Unmatured Early Termination Event or Early Termination Event shall have occurred; (x) the Borrower shall have provided to the Administrative Agent, at least 30 days prior to such proposed increase in the Facility Amount, written evidence demonstrating pro forma compliance with Section 8.1(q) of this Agreement after giving effect to such proposed increase, such evidence to be satisfactory in the sole discretion of the Administrative Agent. The amount of any increase in the Facility Amount hereunder shall be offered first to the existing Lenders, and in the event the additional commitments which existing Lenders are willing to take shall exceed the amount requested by the Borrower, such excess shall be allocated in proportion to the commitments of such existing Lenders willing to take additional commitments. If the amount of the additional commitments requested by the Borrower shall exceed the additional commitments which the existing Lenders are willing to take, then the Borrower may invite other Eligible Assignees reasonably acceptable to the Administrative Agent to join this Agreement as Lenders hereunder for the portion of commitments not taken by existing Lenders, provided that such Eligible Assignees shall enter into such joinder agreements to give effect thereto as the Administrative Agent and the Borrower may reasonably request. Unless otherwise agreed by the Administrative Agent and the Lenders, the terms of any increase in the Facility Amount shall be the same as those in effect prior to any increase; provided, however, that should the terms of the increase agreed to be other than those in effect prior to the increase, then the Transaction

Documents shall, with the consent of the Administrative Agent and the Lenders, be amended to the extent necessary to incorporate any such different terms.

Section 2.4 Principal Repayments; Extension Options.

(a) The Advances Outstanding shall be repaid in accordance with Section 2.8, and shall be due and payable in full on the Maturity Date. In addition, Advances Outstanding shall be repaid as and when necessary (first, to Swing Advances outstanding) to cause the Borrowing Base Test to be met, in accordance with Section 2.8 (each such payment, a "Mandatory Prepayment"), and any amount so repaid may, subject to the terms and conditions hereof, be reborrowed hereunder during the Revolving Period.

(b) On or prior to each of the first and second anniversaries of August 22, 2018, the Borrower may, by notice to the Administrative Agent (who shall promptly notify the Lenders) request that the Administrative Agent and the Lenders extend the date set forth in the definition of Commitment Termination Date by one year, and the Administrative Agent and the Lenders may, each in their sole and individual discretion, elect to do so, it being understood that (i) no extension shall be effective unless all Lenders unanimously agree to extend and (ii) any Lender who has not responded to such extension request within fifteen (15) Business Days following the date of the Administrative Agent's notice of such extension request to the Lenders, shall be deemed to have rejected such request. In the event that one extension request is exercised and accepted by all Lenders, this Agreement shall be automatically amended as of the first anniversary date of the Amendment No. 8 Effective Date to provide that the definition of Commitment Termination Date would be extended to October 30, 2027. In the event that two extension requests are exercised and accepted by all Lenders, upon effectiveness of the second extension, this Agreement shall be automatically amended as of the second anniversary date of the Amendment No. 8 Effective Date to provide that the definition of Commitment Termination Date would be extended to October 30, 2028. Any extension pursuant to this Section 2.4 shall be effective as of the date of the amendment to this Agreement effecting such extension and each such amendment shall be conditioned upon: (x) no Early Termination Event and (y) continued accuracy of the representations and warranties, in each case as of the date of such amendment in all material respects.

(c) All repayments of any Advance or any portion thereof shall be made together with payment of (i) all Interest accrued and unpaid on the amount repaid to (but excluding) the date of such repayment, (ii) any and all Breakage Costs, and (iii) all Hedge Breakage Costs and any other amounts payable by the Borrower under or with respect to any Hedging Agreement.

Section 2.5 The Notes.

(a) The Revolver Advances made by the Lenders hereunder shall be evidenced by a duly executed promissory note of the Borrower payable to each Managing Agent, on behalf of the applicable Lenders in the related Lender Group, in substantially the form of Exhibit B-1 hereto (collectively, the "Revolver Notes"). The Swing Advances made by the Swingline Lender hereunder shall be evidenced by a duly executed promissory note of the Borrower payable to the Swingline Lender, in substantially the form of Exhibit B-2 hereto (the "Swingline Note" and collectively with the Revolver Notes, the "Notes"). The Revolver Notes shall be

dated the Effective Date, or, if later, the date on which a Lender becomes party to this Agreement and shall be in a maximum principal amount equal to the applicable Lender Group's Group Advance Limit, and shall otherwise be duly completed. The Swingline Note shall be dated the Effective Date and shall be in a maximum principal amount of $10,000,000.

(b) Each Managing Agent is hereby authorized to enter on a schedule attached to its Notes the following notations (which may be computer generated) with respect to each Advance made by each Lender in the applicable Lender Group: (i) the date and principal amount thereof and (ii) each payment and repayment of principal thereof, and any such recordation shall constitute *prima facie* evidence of the accuracy of the information so recorded. The failure of a Managing Agent to make any such notation on the schedule attached to the applicable Note shall not limit or otherwise affect the obligation of the Borrower to repay the Advances in accordance with their respective terms as set forth herein.

Section 2.6 Interest Payments.

(a) Interest shall accrue on each Advance during each Settlement Period at the applicable Interest Rate. The Borrower shall pay Interest on the unpaid principal amount of each Advance for the period commencing on and including the Funding Date of such Advance until but excluding the date that such Advance shall be paid in full. Interest shall accrue during each Settlement Period and be payable on the Advances Outstanding on each Payment Date, unless earlier paid pursuant to a repayment in accordance with Section 2.4(c).

(b) Interest Rates shall be determined by the Administrative Agent in accordance with the definitions thereof, and the Administrative Agent shall advise the Servicer, on behalf of the Borrower, of each calculation thereof.

(c) Subject to Section 2.17, if (i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Adjusted Term SOFR Rate cannot be determined pursuant to the definition thereof or (ii) the Required Lenders determine that for any reason in connection with any request for a borrowing of a SOFR Advance (or a conversion thereto or a continuation thereof) that the Adjusted Term SOFR Rate for the applicable Settlement Period with respect to a proposed Advance does not adequately and fairly reflect the cost to such Lenders of funding such Advance, and the Required Lenders have provided notice of such determination to the Administrative Agent, in each case of (i) and (ii), on or prior to the first day of any Settlement Period, the Administrative Agent will promptly so notify the Borrower and each Lender. Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make or continue Advances bearing interest at a rate based upon the Adjusted Term SOFR Rate shall be suspended (to the extent of the affected Settlement Periods) until the Administrative Agent revokes such notice.

(d) Anything in this Agreement or the other Transaction Documents to the contrary notwithstanding, if at any time the rate of interest payable by any Person under this Agreement and the Transaction Documents exceeds the highest rate of interest permissible under Applicable Law (the "Maximum Lawful Rate"), then, so long as the Maximum Lawful Rate would be exceeded, the rate of interest under this Agreement and the Transaction Documents shall be equal to the Maximum Lawful Rate. If at any time thereafter the rate of interest payable under

this Agreement and the Transaction Documents is less than the Maximum Lawful Rate, such Person shall continue to pay interest under this Agreement and the Transaction Documents at the Maximum Lawful Rate until such time as the total interest received from such Person is equal to the total interest that would have been received had Applicable Law not limited the interest rate payable under this Agreement and the Transaction Documents. In no event shall the total interest received by a Lender under this Agreement and the Transaction Documents exceed the amount that such Lender could lawfully have received, had the interest due under this Agreement and the Transaction Documents been calculated since the Effective Date at the Maximum Lawful Rate.

Section 2.7 Fees.

(a) The Borrower shall pay to the Administrative Agent from the Collection Account on each Payment Date, monthly in arrears in accordance with Section 2.8, the Unused Fee; and, from and after the Revolver Loan Funding Date, the Revolver Loan Funding Fee.

(b) The Borrower shall pay to the Servicer from the Collection Account on each Payment Date, monthly in arrears in accordance with Section 2.8, the Servicing Fee.

(c) The Backup Servicer shall be entitled to receive from the Collection Account on each Payment Date, monthly in arrears in accordance with Section 2.8, the Backup Servicing Fee.

(d) The Collateral Custodian shall be entitled to receive from the Collection Account on each Payment Date, monthly in arrears in accordance with Section 2.8, the Collateral Custodian Fee.

Section 2.8 Settlement Procedures.

On each Payment Date, the Servicer on behalf of the Borrower shall pay, for receipt no later than 1:00 p.m. (New York, New York time), to the following Persons, from (i) the Collection Account, to the extent of available funds, (ii) Servicer Advances, and (iii) amounts received in respect of any Hedge Agreement during such Settlement Period (the sum of such amounts described in clauses (i), (ii) and (iii), minus any amounts required to be deposited to the Revolver Loan Funding Accounts in accordance with Section 2.14 below being the "Available Collections") the following amounts in the following order of priority:

(a) During the Revolving Period, and in each case unless otherwise specified below, applying Interest Collections first, and then Principal Collections:

(i) FIRST, to the Borrower, the aggregate amount of fees (including up-front, continuing or success fees) received in respect of the Transferred Loans;

(ii) SECOND, to each Hedge Counterparty, any amounts owing that Hedge Counterparty under its respective Hedging Agreement in respect of any Hedge Transaction(s), for the payment thereof, but excluding, to the extent the Hedge Counterparty is not the same Person as the Administrative Agent, any Swap Breakage and Indemnity Amounts;

(iii) THIRD, to the Servicer, in an amount equal to any Unreimbursed Servicer Advances, for the payment thereof;

(iv) FOURTH, to the extent not paid by the Servicer, to the Backup Servicer and any Successor Servicer, as applicable, in an amount equal to any accrued and unpaid Backup Servicing Fee and, if any, accrued and unpaid Transition Costs, Backup Servicer Expenses and Market Servicing Fee Differential, each for the payment thereof;

(v) FIFTH, to the extent not paid by the Servicer, to the Collateral Custodian in an amount equal to any accrued and unpaid Collateral Custodian Fee and Collateral Custodian Expenses, if any, for the payment thereof;

(vi) SIXTH, to the Servicer, in an amount equal to (A) if the Servicer is Gladstone Management Corporation or any of its Affiliates, its accrued and unpaid Servicing Fees to the end of the preceding Settlement Period, up to the Servicing Fee Limit Amount for such Settlement Period, for the payment thereof and (B) otherwise, its accrued and unpaid Servicing Fees to the end of the preceding Settlement Period for the payment thereof;

(vii) SEVENTH, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, in an amount equal to any accrued and unpaid Interest and Unused Fee for such Payment Date;

(viii) EIGHTH, first, to the extent of available Principal Collections, and second, to the extent of available Interest Collections, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, an amount equal to the excess, if any, of Advances Outstanding over the lesser of (i) the Borrowing Base or (ii) the Facility Amount, together with the amount of Breakage Costs incurred by the applicable Lenders in connection with any such payment (as such Breakage Costs are notified to the Borrower by the applicable Lender(s)), *pro rata*;

(ix) NINTH, to each Hedge Counterparty, any Swap Breakage and Indemnity Amounts owing that Hedge Counterparty;

(x) TENTH, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, in the amount of unpaid Breakage Costs (other than Breakage Costs covered in clause (vii) above) with respect to any prepayments made on such Payment Date Increased Costs, and/or Taxes (if any);

(xi) ELEVENTH, to the Swingline Lender, for the portion of the Obligations constituting unpaid principal of the Swing Advances;

(xii) TWELFTH, to the Administrative Agent, all other amounts or Obligations then due under this Agreement or the other Transaction Documents (other than the Performance Guaranty) to the Administrative Agent, the Lenders, the Affected Parties or Indemnified Parties, each for the payment thereof;

(xiii) THIRTEENTH, to the Servicer, in an amount equal to its accrued and unpaid Servicing Fees to the end of the preceding Settlement Period not otherwise paid pursuant to priority SIXTH above; and

(xiv) FOURTEENTH, all remaining amounts to the Borrower.

(b) During the Amortization Period, to the extent of available Interest Collections:

(i) FIRST, unless an Early Termination Event shall have occurred and be continuing, to the Borrower, the aggregate amount of fees (including up-front, continuing or success fees) received in respect of the Transferred Loans;

(ii) SECOND, to each Hedge Counterparty, any amounts owing that Hedge Counterparty under its respective Hedging Agreement in respect of any Hedge Transaction(s), for the payment thereof, but excluding, to the extent the Hedge Counterparty is not the same Person as the Administrative Agent, any Swap Breakage and Indemnity Amounts;

(iii) THIRD, to the Servicer, in an amount equal to any Unreimbursed Servicer Advances, for the payment thereof;

(iv) FOURTH, to the extent not paid by the Servicer, to the Backup Servicer and any Successor Servicer, as applicable, in an amount equal to any accrued and unpaid Backup Servicing Fee and, if any, accrued and unpaid Transition Costs, Backup Servicer Expenses and Market Servicing Fee Differential, each for the payment thereof;

(v) FIFTH, to the extent not paid by the Servicer, to the Collateral Custodian in an amount equal to any accrued and unpaid Collateral Custodian Fee and Collateral Custodian Expenses, if any, for the payment thereof;

(vi) SIXTH, to the Servicer, in an amount equal to (A) if the Servicer is Gladstone Management Corporation or any of its Affiliates, its accrued and unpaid Servicing Fees to the end of the preceding Settlement Period, up to the Servicing Fee Limit Amount for such Settlement Period, for the payment thereof and (B) otherwise, its accrued and unpaid Servicing Fees to the end of the preceding Settlement Period for the payment thereof;

(vii) SEVENTH, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, in an amount equal to any accrued and unpaid Interest, Unused Fee and Revolver Loan Funding Fee for such Payment Date;

(viii) EIGHTH, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, an amount equal to the excess, if any, of Advances Outstanding over the lesser of (i) the Borrowing Base or (ii) the Facility Amount, together with the amount of Breakage Costs incurred by the applicable Lenders in connection with any such payment (as such Breakage Costs are notified to the Borrower by the applicable Lender(s)), *pro rata*;

(ix) NINTH, all remaining amounts shall be distributed to the Borrower, provided, however, that if an Early Termination Event has occurred and is continuing, all remaining amounts shall be applied as Principal Collections in accordance with clause (c) below.

(c) During the Amortization Period, to the extent of available Principal Collections:

(i) FIRST, to the parties listed above, any amount remaining unpaid pursuant to clauses FIRST through EIGHTH under clause (b) above, in accordance with the priority set forth thereunder;

(ii) SECOND, following the occurrence of the Termination Date, to the Swingline Lender, for the portion of the Obligations constituting unpaid principal of the Swing Advances in an amount to reduce the outstanding Swing Advances to zero;

(iii) THIRD, following the occurrence of the Termination Date, to the Administrative Agent for ratable payment to each Managing Agent, on behalf of the related Lenders, in an amount to reduce Advances Outstanding to zero and to pay any other Obligations in full;

(iv) FOURTH, to each Hedge Counterparty, any Swap Breakage and Indemnity Amounts owing that Hedge Counterparty;

(v) FIFTH, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, in the amount of unpaid Breakage Costs (other than Breakage Costs covered in clause (b) above) with respect to any prepayments made on such Payment Date, Increased Costs and/or Taxes (if any);

(vi) SIXTH, to the Administrative Agent, all other amounts or Obligations then due under this Agreement or the other Transaction Documents (other than the Performance Guaranty) to the Administrative Agent, the Lenders, the Affected Parties or Indemnified Parties, each for the payment thereof;

(vii) SEVENTH, to the Servicer, if the Servicer is Gladstone Management Corporation or any of its Affiliates, its accrued and unpaid Servicing Fees to the end of

the preceding Settlement Period not otherwise paid pursuant to clause SIXTH of subsection (b) above; and

(viii) EIGHTH, all remaining amounts to the Borrower.

Section 2.9 Collections and Allocations.

(a) The Borrower or the Servicer on behalf of the Borrower shall promptly (but in no event later than two (2) Business Days after the receipt thereof) identify any Collections received by it as being on account of Interest Collections or Principal Collections and deposit all such Interest Collections or Principal Collections received directly by it into the Collection Account. The Servicer on behalf of the Borrower shall make such deposits or payments on the date indicated by wire transfer, in immediately available funds.

(b) Until the occurrence of an Early Termination Event, to the extent there are uninvested amounts deposited in the Collection Account, all amounts shall be invested in Permitted Investments selected by the Servicer on behalf of the Borrower that mature no later than the Business Day immediately preceding the next Payment Date; from and after (i) the occurrence of an Early Termination Event or (ii) the appointment of a Successor Servicer, to the extent there are uninvested amounts deposited in the Collection Account, all amounts may be invested in Permitted Investments selected by the Administrative Agent that mature no later than the next Business Day. Any earnings (and losses) thereon shall be for the account of the Servicer on behalf of the Borrower.

Section 2.10 Payments, Computations, Etc.

(a) Unless otherwise expressly provided herein, all amounts to be paid or deposited by the Borrower or the Servicer on behalf of the Borrower hereunder shall be paid or deposited in accordance with the terms hereof no later than 12:00 noon (New York, New York time) on the day when due in lawful money of the United States in immediately available funds to the Agent's Account. The Borrower shall, to the extent permitted by law, pay to the Secured Parties interest on all amounts not paid or deposited when due hereunder at a rate equal to the Default Rate, payable on demand; provided, however, that such interest rate shall not at any time exceed the Maximum Lawful Rate. All computations of interest and all computations of the Interest Rate and other fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first but excluding the last day) elapsed.

(b) Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of Interest, other interest or any fee payable hereunder, as the case may be.

(c) All payments hereunder shall be made without set-off or counterclaim and in such amounts as may be necessary in order that all such payments shall not be less than the amounts otherwise specified to be paid under this Agreement (after withholding for or on account of any Taxes).

Section 2.11 Breakage Costs.

The Borrower shall pay to the Administrative Agent for the account of the applicable Managing Agent, on behalf of the related Lenders, upon the request of any Managing Agent, any Lender or the Administrative Agent on each Payment Date on which a prepayment is made, such amount or amounts as shall, without duplication, compensate the Lenders for any loss, cost or expense (including, without limitation, any loss, cost, expense or liability incurred by reason of the liquidation or reemployment of deposits or other funds required by such Lender to fund its SOFR Advances) (the "Breakage Costs") incurred by the Lenders (as reasonably determined by the applicable Lender) as a result of any prepayment of an Advance (and interest thereon) arising under this Agreement. The determination by any Managing Agent, on behalf of the related Lenders, of the amount of any such loss or expense shall be set forth in a written notice to the Borrower delivered by the applicable Lender prior to the date of such prepayment in the case where notice of such prepayment is delivered to such Lender in accordance with Section 2.3(b) or within two (2) Business Days following such prepayment in the case where no such notice is delivered (in which case, Breakage Costs shall include interest thereon from the date of such prepayment) and shall be conclusive absent manifest error.

Section 2.12 Increased Costs; Capital Adequacy; Illegality.

(a) If after the date hereof, any Managing Agent, Lender or any Affiliate thereof (each of which, an "Affected Party") shall be charged any fee, expense or increased cost on account of any Change in Law, any accounting principles or any change in any of the foregoing, or any change in the interpretation or administration thereof by any governmental authority, the Financial Accounting Standards Board, any central bank or any comparable agency charged with the interpretation or administration thereof, or compliance with any request or directive (whether or not having the force of law) of any such authority or agency (as clarified by the last sentence of this Section 2.12(a) below, a "Regulatory Change"): (i) that subjects any Affected Party to any charge or withholding on or with respect to any Transaction Document or an Affected Party's obligations under a Transaction Document, or on or with respect to the Advances, or changes the basis of taxation of payments to any Affected Party of any amounts payable under any Transaction Document (except for changes in the rate of tax on the overall net income of an Affected Party or taxes excluded by Section 2.13) or (ii) that imposes, modifies or deems applicable any reserve, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of an Affected Party, or credit extended by an Affected Party pursuant to a Transaction Document or (iii) that imposes any other condition the result of which is to increase the cost to an Affected Party of performing its obligations under a Transaction Document, or to reduce the rate of return on an Affected Party's capital as a consequence of its obligations under a Transaction Document, or to reduce the amount of any sum received or receivable by an Affected Party under a Transaction Document or to require any payment calculated by reference to the amount of interests or loans held or interest received by it, then, upon demand by the applicable Managing Agent, Borrower shall pay to the Administrative Agent, for payment to the applicable Managing Agent for the benefit of the relevant Affected Party, such amounts charged to such Affected Party or such amounts to otherwise compensate such Affected Party for such increased cost or such reduction. For avoidance of doubt, "Regulatory Change" shall include the compliance, whether commenced

prior to or after the date hereof, by any Affected Party with the requirements of (i) the final rule titled Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Regulatory Capital; Impact of Modifications to Generally Accepted Accounting Principles; Consolidation of Asset-Backed Commercial Paper Programs; and Other Related Issues, adopted by the United States bank regulatory agencies on December 15, 2009, or any rules, regulations, guidance, interpretations or directives promulgated or issued in connection therewith by such agency (whether or not having force of law), (ii) the Dodd-Frank Wall Street Reform and Consumer Protection Act adopted by Congress on July 21, 2010, or any existing or future rules, regulations, guidance, interpretations or directives from the United States bank regulatory agencies relating thereto (whether or not having the force of law), and (iii) the July 1988 paper or the June 2006 paper prepared by the Basel Committee on Banking Supervision as set out in the publication entitled: "International Convergence of Capital Measurements and Capital Standards: a Revised Framework", as updated from time to time, or any rules, regulations, guidance, interpretations or directives promulgated or issued in connection therewith by the United States bank regulatory agencies (whether or not having force of law) or any other request, rule, guideline or directive promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel II or Basel III.

(b) If as a result of any event or circumstance similar to those described in clause (a) of this Section 2.12, an Affected Party is required to compensate a bank or other financial institution providing liquidity support, credit enhancement or other similar support or financing to such Affected Party in connection with this Agreement or the funding or maintenance of Advances hereunder, then within ten days after demand by such Affected Party, the Borrower shall pay to such Affected Party such additional amount or amounts as may be necessary to reimburse such Affected Party for any such amounts paid by it.

(c) In determining any amount provided for in this section, the Affected Party may use any reasonable averaging and attribution methods. Any Affected Party making a claim under this section shall submit to the Borrower a certificate as to such additional or increased cost or reduction, which certificate shall calculate in reasonable detail any such charges and shall be conclusive absent demonstrable error.

Section 2.13 Taxes.

(a) All payments made by the Borrower in respect of any Advance and all payments made by the Borrower under this Agreement will be made free and clear of and without deduction or withholding for or on account of any Taxes, unless such withholding or deduction is required by law. In such event, the Borrower shall pay to the appropriate taxing authority any such Taxes required to be deducted or withheld and the amount payable to each Lender or the Administrative Agent (as the case may be) will be increased (such increase, the "Additional Amount") such that every net payment made under this Agreement after deduction or withholding for or on account of any Taxes (including, without limitation, any Taxes on such increase) is not less than the amount that would have been paid had no such deduction or withholding been deducted or withheld. The foregoing obligation to pay Additional Amounts, however, will not apply with respect to, and the term "Additional Amount" shall be deemed not to include net income or franchise taxes imposed on a Lender, any Managing Agent or the

Administrative Agent, respectively, with respect to payments required to be made by the Borrower or Servicer on behalf of the Borrower under this Agreement, by a taxing jurisdiction in which such Lender, such Managing Agent or the Administrative Agent is organized, conducts business or is paying taxes as of the Effective Date (as the case may be). If a Lender, any Managing Agent or the Administrative Agent pays any Taxes in respect of which the Borrower is obligated to pay Additional Amounts under this Section 2.13(a), the Borrower shall promptly reimburse such Lender or Administrative Agent in full.

(b) The Borrower will indemnify each Lender, each Managing Agent and the Administrative Agent for the full amount of Taxes in respect of which the Borrower is required to pay Additional Amounts (including, without limitation, any Taxes imposed by any jurisdiction on such Additional Amounts) paid by such Lender, Managing Agent or the Administrative Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto; provided, however, that such Lender, Managing Agent or the Administrative Agent, as appropriate, making a demand for indemnity payment, shall provide the Borrower, at its address set forth under its name on the signature pages hereof, with a certificate from the relevant taxing authority or from a Responsible Officer of such Lender, Managing Agent or the Administrative Agent stating or otherwise evidencing that such Lender, Managing Agent or the Administrative Agent has made payment of such Taxes and will provide a copy of or extract from documentation, if available, furnished by such taxing authority evidencing assertion or payment of such Taxes. This indemnification shall be made within ten days from the date such Lender, Managing Agent or the Administrative Agent (as the case may be) makes written demand therefor.

(c) Within 30 days after the date of any payment by the Borrower of any Taxes, the Borrower will furnish to the Administrative Agent, the Managing Agent or the Lender, as applicable, at its address set forth under its name on the signature pages hereof, appropriate evidence of payment thereof.

(d) If a Lender is not created or organized under the laws of the United States or a political subdivision thereof, such Lender shall, to the extent that it may then do so under Applicable Laws, deliver to the Borrower with a copy to the Administrative Agent (i) within 15 days after the date hereof, or, if later, the date on which such Lender becomes a Lender hereof two (or such other number as may from time to time be prescribed by Applicable Laws) duly completed copies of IRS Form W-8EC1 or Form W-8BEN or any successor forms or other certificates or statements that may be required from time to time by the relevant United States taxing authorities or Applicable Laws), as appropriate, to permit the Borrower to make payments hereunder for the account of such Lender, as the case may be, without deduction or withholding of United States federal income or similar Taxes and (ii) upon the obsolescence of or after the occurrence of any event requiring a change in, any form or certificate previously delivered pursuant to this Section 2.13(d), two copies (or such other number as may from time to time be prescribed by Applicable Laws) of such additional, amended or successor forms, certificates or statements as may be required under Applicable Laws to permit the Borrower to make payments hereunder for the account of such Lender, without deduction or withholding of United States federal income or similar Taxes.

(e) For any period with respect to which a Lender has failed to provide the Borrower with the appropriate form, certificate or statement described in clause (d) of this section (other than if such failure is due to a change in law occurring after the date of this Agreement), such Lender, as the case may be, shall not be entitled to indemnification under clauses (a) or (b) of this section with respect to any Taxes.

(f) Within 30 days of the written request of the Borrower therefor, the Administrative Agent, the Managing Agent or the Lender, as appropriate, shall execute and deliver to the Borrower such certificates, forms or other documents that can be furnished consistent with the facts and that are reasonably necessary to assist the Borrower in applying for refunds of Taxes remitted hereunder; provided, however, that the Administrative Agent, the Managing Agent and the Lender shall not be required to deliver such certificates forms or other documents if in their respective sole discretion it is determined that the delivery of such certificate, form or other document would have a material adverse effect on the Administrative Agent, the Managing Agent or the Lender and provided further, however, that the Borrower shall reimburse the Administrative Agent, the Managing Agent or the Lender for any reasonable expenses incurred in the delivery of such certificate, form or other document.

(g) If, in connection with an agreement or other document providing liquidity support, credit enhancement or other similar support or financing to the Lenders in connection with this Agreement or the funding or maintenance of Advances hereunder, the Lenders are required to compensate a bank or other financial institution in respect of Taxes under circumstances similar to those described in this section then within ten days after demand by the Lenders, the Borrower shall pay to the Lenders such additional amount or amounts as may be necessary to reimburse the Lenders for any amounts paid by them.

Section 2.14 Revolver Loan Funding.

(a) Upon the occurrence of a Revolver Loan Funding Date, each Lender shall make an advance (each, a "Revolver Loan Funding") in an amount equal to such Lender's ratable share of the aggregate outstanding unfunded commitments under the Revolver Loans. Upon receipt of the proceeds of such Revolver Loan Funding, the Administrative Agent shall deposit such funds into segregated accounts (each, a "Revolver Loan Funding Account"), in its name, referencing the name of such Lender, and maintained at a Qualified Institution. Each Lender hereby grants to the Administrative Agent full power and authority, on its behalf, to withdraw funds from the applicable Revolver Loan Funding Account at the time of, and in connection with, the funding of any Post-Termination Revolver Loan Fundings to be made by the Borrower, and to deposit to the related Revolver Loan Funding Account any funds received in respect of each relevant Lender's ratable share of principal payments under Section 2.8 hereof, all in accordance with the terms of and for the purposes set forth in this Agreement. The deposit of monies in such Revolver Loan Funding Account by any Lender shall not constitute an Advance (and such Lender shall not be entitled to interest on such monies except as provided in clause (d) below) unless and until (and then only to the extent that) such monies are used to make Post-Termination Revolver Loan Fundings pursuant to the first sentence of clause (b) below. On each Payment Date from and after the Revolver Loan Funding Date, the Borrower shall pay the Administrative Agent, for the benefit of the Lenders, a fee (the "Revolver Loan Funding Fee") equal to the sum of (i) the Adjusted Term SOFR Rate for such Settlement Period plus (ii) 3.0%,

multiplied by the weighted average amount on deposit in the Revolver Loan Funding Accounts during the applicable Settlement Period, calculated on the basis of a year of 360 days for the actual number of days elapsed.

(b) From and after the establishment of a Revolver Loan Funding Account with respect to any Lender, and until the earlier of (i) the reduction to zero of all outstanding commitments in respect of Revolver Loans and (ii) one year following the Revolver Loan Funding Date, all Post-Termination Revolver Loan Fundings to be made by such Lender hereunder shall be made by withdrawing funds from the applicable Revolver Loan Funding Account. On each Business Day during such time, the Administrative Agent shall, (i) if a Revolver Loan Funding Account Shortfall exists, deposit the lesser of (A) the amount allocable to the repayment of principal to the Lenders and (B) the Revolver Loan Funding Account Shortfall and (ii) if a Revolver Loan Funding Account Surplus exists, pay to the applicable Managing Agent, on behalf of each Lender, such Lender's ratable share of the Revolver Loan Funding Account Surplus. Until the earlier of (i) the reduction to zero of all outstanding commitments in respect of Revolver Loans and (ii) one year following the Revolver Loan Funding Date, all remaining funds then held in such Revolver Loan Funding Account (after giving effect to any Post-Termination Revolver Loan Fundings to be made on such date) shall be paid by the Administrative Agent to the applicable Managing Agent, on behalf of such Lender, and thereafter all payments made in respect of the Loans (whether or not originally funded from such Lender's Revolver Loan Funding Account) shall be paid directly to the applicable Managing Agent, on behalf of such Lender, in accordance with the terms of Section 2.8.

(c) The Administrative Agent may, its sole discretion, advance funds withdrawn from the Revolver Loan Funding Accounts to (i) the Borrower or (ii) the applicable Obligor directly, on behalf of the Borrower, and in either case, such funds shall be used solely for the purpose of funding advances requested by an Obligor under a Revolver Loan.

(d) Proceeds in a Revolver Loan Funding Account shall be invested, at the written direction of the applicable Lender (or the applicable Managing Agent on its behalf) to the applicable Revolver Loan Funding Account bank, only in investments which constitute Permitted Investments. The investment earnings with respect to a Revolver Loan Funding Account shall accrue as the Lender and Revolver Loan Funding Account bank shall agree. The Administrative Agent shall direct the Revolver Loan Funding Account bank to pay all such investment earnings from the relevant account directly to the applicable Managing Agent, for the account of the applicable Lender.

(e) Notwithstanding anything herein to the contrary, none of the Administrative Agent, the other Managing Agents, the other Purchasers nor the Revolver Loan Funding Account bank shall have any liability for any loss arising from any investment or reinvestment made by it with respect to a Revolver Loan Funding Account in accordance with, and pursuant to, the provisions hereof.

Section 2.15 [Reserved].

Section 2.16 Discretionary Sales of Loans.

On any Discretionary Sale Settlement Date, the Borrower shall have the right to prepay all or a portion of the Advances Outstanding in connection with the sale and assignment by the Borrower of, and the release of the Lien by the Administrative Agent over, one or more Transferred Loans, in whole but not in part (and expressly excluding any sale of a Transferred Loan from the Borrower to the Originator required under the Purchase Agreement) (a "Discretionary Sale"), subject to the following terms and conditions and subject to the other restrictions contained herein:

(a) any Discretionary Sale shall be made by the Borrower in a transaction (A) arranged by the Servicer (or, if a Successor Servicer shall have been appointed pursuant to Section 7.19, arranged by the Borrower with the approval of the Administrative Agent) in accordance with the customary management practices of prudent institutions which manage financial assets similar to the Transferred Loans for their own account or for the account of others, (B) reflecting arm's-length market terms, (C) in which the Borrower makes no representations, warranties or covenants and provides no indemnification for the benefit of any other party to the Discretionary Sale (other than any representations, warranties or covenants relating to the Borrower's ownership of or clean title to the Transferred Loans that are the subject of the Discretionary Sale that are standard and customary in connection with such a sale or for which the Originator has agreed to fully indemnify the Borrower), (D) of which the Administrative Agent and the Required Lenders shall have received 2 Business Days' (or such shorter period as the Required Lenders shall consent to) written notice (such notice, a "Discretionary Sale Notice") which notice shall provide a description of the terms of the Discretionary Sale, and (E) if occurring after the Termination Date, which the Required Lenders shall have approved in writing (which approval shall not be unreasonably withheld or delayed);

(b) after giving effect to the Discretionary Sale on the related Discretionary Sale Trade Date and the payment of funds from the sale into the Collection Account required under Section 2.16(d), (A) all representations and warranties of the Borrower contained in Section 4.1 shall be true and correct as of the Discretionary Sale Trade Date, (B) neither an Early Termination Event nor Unmatured Termination Event shall have occurred and be continuing, (C) the Borrowing Base Test shall have been satisfied, and, if such Discretionary Sale Trade Date takes place during the Amortization Period, following the application of the funds described in clause (d) below, the ratio of the Borrowing Base to the Drawn Amount shall have been improved, (D) the Collateral Quality Test shall have been satisfied, and, if such Discretionary Sale Trade Date takes place during the Amortization Period, the Collateral Quality Test shall have been improved and (E) the Required Equity Investment shall be maintained;

(c) on the Discretionary Sale Trade Date, the Borrower and the Servicer shall be deemed to have represented and warranted that the requirements of Section 2.16(b) shall have been satisfied as of the related Discretionary Sale Trade Date after giving effect to the contemplated Discretionary Sale; and

(d) on the related Discretionary Sale Settlement Date, the Administrative Agent shall have received into the Collection Account, in immediately available funds, an amount (i) other than as described in clause (ii) below, equal to the sum of (A) the portion of the Advances Outstanding to be prepaid so that the requirements of Section 2.16(b) shall have been satisfied as of such Discretionary Sale Settlement Date plus (B) an amount equal to all unpaid Interest

attributable to that portion of the Advances Outstanding to be paid in connection with the Discretionary Sale plus (C) any Breakage Costs owed in connection with the payment and (ii) in the case of a sale of (x) Defaulted Loans or Charged-Off Loans in accordance with Section 7.7, or (y) any Transferred Loans following the end of the Revolving Period, equal to the proceeds of such Discretionary Sale.

In connection with any Discretionary Sale, following receipt by the Administrative Agent of the amounts referred to in Section 2.16(d) above (receipt of which shall be confirmed to the Administrative Agent), there shall be released to the Borrower (for further sale to a purchaser) without recourse, representation or warranty of any kind all of the right, title and interest of the Administrative Agent and the Secured Parties in, to and under the portion of the Collateral subject to such Discretionary Sale and such portion of the Collateral so released shall be released from any Lien and the Loan Documents (subject to the requirements set forth above in this Section 2.16).

In connection with any Discretionary Sale, on the related Discretionary Sale Settlement Date, the Administrative Agent on behalf of the Secured Parties shall (i) execute such instruments of release with respect to the portion of the Collateral to be released to the Borrower, in recordable form if necessary, in favor of the Borrower as the Servicer on behalf of the Borrower may reasonably request, (ii) deliver any portion of the Collateral to be released to the Borrower in its possession to the Borrower and (iii) otherwise take such actions, as are determined by the Borrower or Servicer to be reasonably necessary and appropriate to release the Lien on the portion of the Collateral to be released to the Borrower and release and deliver to the Borrower such portion of the Collateral to be released to the Borrower.

Section 2.17 Effect of Benchmark Transition Event.

Notwithstanding anything to the contrary herein or in any other Transaction Document:

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Transaction Document, upon the occurrence of a Benchmark Transition Event, this Agreement may be amended to replace the Term SOFR Reference Rate or the then-current Benchmark with a Benchmark Replacement by a written document executed by the Borrower, the Required Lenders and the Administrative Agent, subject to the requirements of this Section 2.17. No replacement of the Adjusted Term SOFR Rate with a Benchmark Replacement pursuant to this Section 2.17 will occur prior to the applicable Benchmark Transition Start Date.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent will have the right, in consultation with the Borrower, to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Managing Agents and Lenders of (i) the

implementation of any Benchmark Replacement and (ii) the effectiveness of any Benchmark Replacement Conforming Changes. Any determination, decision or election that may be made by the Administrative Agent pursuant to this Section 2.17 including, without limitation, any determination with respect to a tenor, rate or adjustment, or implementation of any Benchmark Replacement Conforming Changes, the timing of implementation of any Benchmark Replacement or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding on all parties hereto absent manifest error and may be made in its sole discretion and without consent from any other party to this Agreement or any other Transaction Document, except, in each case, as expressly required pursuant to this Section 2.17.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Transaction Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if any then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks, then the Administrative Agent may modify the definition of "Settlement Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Settlement Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a SOFR Advance to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to a Base Rate Advance.

ARTICLE III

CONDITIONS OF EFFECTIVENESS AND ADVANCES

Section 3.1 Conditions to Effectiveness and Advances.

No Lender (including the Swingline Lender) shall be obligated to make any Advance hereunder from and after the Effective Date, nor shall any Lender, the Administrative Agent or

the Managing Agents be obligated to take, fulfill or perform any other action hereunder, until the following conditions have been satisfied, in the sole discretion of, or waived in writing by, the Managing Agents:

(a) This Agreement and all other Transaction Documents or counterparts hereof or thereof shall have been duly executed by, and delivered to, the parties hereto and thereto and the Administrative Agent shall have received such other documents, instruments, agreements and legal opinions as any Managing Agent shall reasonably request in connection with the transactions contemplated by this Agreement, on or prior to the Effective Date, each in form and substance satisfactory to the Administrative Agent.

(c) The Borrower shall have paid all fees required to be paid by it on the Effective Date, including all fees required hereunder and under the Fee Letters to be paid as of such date, and shall have reimbursed each Lender and the Administrative Agent for all fees, costs and expenses related to the transactions contemplated hereunder and under the other Transaction Documents, including the legal and other document preparation costs incurred by any Lender and/or the Administrative Agent.

(d) The Required Equity Investment shall be maintained.

The Administrative Agent shall promptly notify each Lender of the satisfaction or waiver of the conditions set forth above.

Section 3.2 Additional Conditions Precedent to All Advances.

Each Advance shall be subject to the further conditions precedent that:

(a) On the related Funding Date, the Borrower or the Servicer, as the case may be, shall have certified in the related Borrower Notice that:

(i) The representations and warranties set forth in Sections 4.1 and 7.8 are true and correct on and as of such date, before and after giving effect to such borrowing and to the application of the proceeds therefrom, as though made on and as of such date; and

(ii) No event has occurred, or would result from such Advance or from the application of the proceeds therefrom, that constitutes an Early Termination Event or an Unmatured Termination Event.

(b) The Termination Date shall not have occurred;

(c) Before and after giving effect to such borrowing and to the application of proceeds therefrom, the Collateral Quality Test shall be satisfied, as calculated on such date;

(d) Before and after giving effect to such borrowing and to the application of proceeds therefrom, the Borrowing Base Test shall be satisfied, as calculated on such date;

(e) No (i) claim has been asserted or proceeding commenced challenging enforceability or validity of any of the Transaction Documents or (ii) material claim has been asserted or proceeding commenced challenging enforceability or validity of any of the Loan Documents, in each case, excluding any instruments, certificates or other documents relating to Loans that were the subject of prior Advances;

(f) There shall have been no Material Adverse Change with respect to the Borrower or the Servicer since the preceding Advance; and

(g) The Servicer and Borrower shall have taken such other action, including delivery of approvals, consents, opinions, documents, and instruments to the Managing Agents as each may reasonably request.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.1 Representations and Warranties of the Borrower.

The Borrower represents and warrants as follows:

(a) Organization and Good Standing. The Borrower is a Delaware limited liability company duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation, and has full power, authority and legal right to own or lease its properties and conduct its business as such business is presently conducted.

(b) Due Qualification. The Borrower is qualified to do business as a limited liability company, is in good standing, and has obtained all licenses and approvals as required under the laws of all jurisdictions in which the ownership or lease of its property and or the conduct of its business (other than the performance of its obligations hereunder) requires such qualification, standing, license or approval, except to the extent that the failure to so qualify, maintain such standing or be so licensed or approved would not have an adverse effect on the interests of the Lenders. The Borrower is qualified to do business as a limited liability company, is in good standing, and has obtained all licenses and approvals as are required under the laws of all states in which the performance of its obligations pursuant to this Agreement requires such qualification, standing, license or approval and where the failure to qualify or obtain such license or approval would have a material adverse effect on its ability to perform hereunder.

(c) Due Authorization. The execution and delivery of this Agreement and each Transaction Document to which the Borrower is a party and the consummation of the transactions provided for herein and therein have been duly authorized by the Borrower by all necessary action on the part of the Borrower.

(d) No Conflict. The execution and delivery of this Agreement and each Transaction Document to which the Borrower is a party, the performance by the Borrower of the transactions contemplated hereby and thereby and the fulfillment of the terms hereof and thereof will not conflict with or result in any breach of any of the terms and provisions of, and will not constitute

(with or without notice or lapse of time or both) a default under, the Borrower's limited liability company agreement or any material Contractual Obligation of the Borrower.

(e) No Violation. The execution and delivery of this Agreement and each Transaction Document to which the Borrower is a party, the performance of the transactions contemplated hereby and thereby and the fulfillment of the terms hereof and thereof will not conflict with or violate, in any material respect, any Applicable Law.

(f) No Proceedings. There are no proceedings or investigations pending or, to the best knowledge of the Borrower, threatened against the Borrower, before any Governmental Authority (i) asserting the invalidity of this Agreement or any Transaction Document to which the Borrower is a party, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any Transaction Document to which the Borrower is a party or (iii) seeking any determination or ruling that could reasonably be expected to have a Material Adverse Effect.

(g) All Consents Required. All material approvals, authorizations, consents, orders or other actions of any Person or of any Governmental Authority (if any) required in connection with the due execution, delivery and performance by the Borrower of this Agreement and any Transaction Document to which the Borrower is a party, have been obtained.

(h) Reports Accurate. All Monthly Reports (if prepared by the Borrower, or to the extent that information contained therein is supplied by the Borrower), information, exhibits, financial statements, documents, books, records or reports furnished or to be furnished by the Borrower to the Administrative Agent or a Lender in connection with this Agreement are true, complete and accurate in all material respects.

(i) Solvency. The transactions contemplated under this Agreement and each Transaction Document to which the Borrower is a party do not and will not render the Borrower not Solvent.

(j) Selection Procedures. No procedures believed by the Borrower to be materially adverse to the interests of the Secured Parties were utilized by the Borrower in identifying and/or selecting the Loans that are part of the Collateral.

(k) Taxes. The Borrower has filed or caused to be filed all Tax returns required to be filed by it. The Borrower has paid all Taxes and all assessments made against it or any of its property (other than any amount of Tax the validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in accordance with GAAP have been provided on the books of the Borrower), and no Tax lien has been filed and, to the Borrower's knowledge, no claim is being asserted, with respect to any such Tax, fee or other charge.

(l) Agreements Enforceable. This Agreement and each Transaction Document to which the Borrower is a party constitute the legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with their respective terms, except as such

enforceability may be limited by Insolvency Laws and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity).

(m) No Liens. The Collateral is owned by the Borrower free and clear of any Liens except for Permitted Liens as provided herein, and the Administrative Agent, as agent for the Secured Parties, has a valid and perfected first priority security interest in the Collateral then existing or thereafter arising, free and clear of any Liens except for Permitted Liens. No effective financing statement or other instrument similar in effect covering any Collateral is on file in any recording office except such as may be filed in favor of the Administrative Agent relating to this Agreement or reflecting the transfer of the Collateral from the Originator to the Borrower.

(n) Security Interest. The Borrower has granted a security interest (as defined in the UCC) to the Administrative Agent, as agent for the Secured Parties, in the Collateral, which is enforceable in accordance with Applicable Law. All filings (including, without limitation, such UCC filings) as are necessary in any jurisdiction to perfect the interest of the Administrative Agent as agent for the Secured Parties, in the Collateral have been made.

(o) Location of Offices. The Borrower's jurisdiction of organization, principal place of business and chief executive office and the office where the Borrower keeps all the Records is located at the address of the Borrower referred to in Section 12.2 hereof (or at such other locations as to which the notice and other requirements specified in Section 5.1(m) shall have been satisfied).

(p) Tradenames. The Borrower has no trade names, fictitious names, assumed names or "doing business as" names or other names under which it has done or is doing business.

(q) Purchase Agreement. The Purchase Agreement is the only agreement pursuant to which the Borrower acquires Collateral (other than the Hedge Collateral).

(r) Value Given. The Borrower gave reasonably equivalent value to the Originator in consideration for the transfer to the Borrower of the Transferred Loans under the Purchase Agreement, no such transfer was made for or on account of an antecedent debt owed by the Originator to the Borrower, and no such transfer is voidable or subject to avoidance under any Insolvency Law.

(s) Accounting. The Borrower accounts for the transfers to it from the Originator of interests in the Loans under the Purchase Agreement as sales of such Loans in its books, records and financial statements, in each case consistent with GAAP.

(t) Separate Entity. The Borrower is operated as an entity with assets and liabilities distinct from those of the Originator and any Affiliates thereof (other than the Borrower), and the Borrower hereby acknowledges that the Administrative Agent and the Lenders are entering into the transactions contemplated by this Agreement in reliance upon the Borrower's identity as a separate legal entity from the Originator and from each such other Affiliate of the Originator.

(u) Investments. Except for Supplemental Interests or Supplemental Interests that convert into an equity interest in any Person, the Borrower does not own or hold directly or indirectly, any capital stock or equity security of, or any equity interest in, any Person.

(v) Business. Since its formation, the Borrower has conducted no business other than the purchase and receipt of Loans and Related Property from the Originator under the Purchase Agreement, the borrowing of funds under this Agreement and such other activities as are incidental to the foregoing.

(w) ERISA. The Borrower is in compliance with ERISA and has not incurred and does not expect to incur any liabilities (except for premium payments arising in the ordinary course of business) payable to the Pension Benefit Guaranty Corporation under ERISA.

(x) Investment Company Act.

(i) The Borrower represents and warrants that the Borrower is exempt and will remain exempt from registration as an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "1940 Act"). The Borrower further represents and warrants that the Borrower is not a "covered fund" under the Volcker Rule, because the Borrower is excluded from the definition of "covered fund" pursuant to Section ___.10(c)(8) of the Volcker Rule.

(ii) The business and other activities of the Borrower, including but not limited to, the making of the Advances by the Lenders, the application of the proceeds and repayment thereof by the Borrower and the consummation of the transactions contemplated by the Transaction Documents to which the Borrower is a party do not now and will not at any time result in any violations, with respect to the Borrower, of the provisions of the 1940 Act or any rules, regulations or orders issued by the SEC thereunder.

(y) Government Regulations. The Borrower is not engaged in the business of extending credit for the purpose of "purchasing" or "carrying" any "margin security," as such terms are defined in Regulation U of the Federal Reserve Board as now and from time to time hereafter in effect (such securities being referred to herein as "Margin Stock"). The Borrower owns no Margin Stock, and no portion of the proceeds of any Advance hereunder will be used, directly or indirectly, for the purpose of purchasing or carrying any Margin Stock, for the purpose of reducing or retiring any Indebtedness that was originally incurred to purchase or carry any Margin Stock or for any other purpose that might cause any portion of such proceeds to be considered a "purpose credit" within the meaning of Regulation T, U or X of the Federal Reserve Board. The Borrower will not take or permit to be taken any action that might cause any Transaction Document to violate any regulation of the Federal Reserve Board.

(z) Eligibility of Loans. As of the Effective Date, (i) the Loan List and the information contained in the Borrower Notice delivered pursuant to Sections 2.1 and 2.2 is an accurate and complete listing in all material respects of all the Loans that are part of the Collateral as of the Effective Date, and the information contained therein with respect to the identity of such Loans and the amounts owing thereunder is true and correct in all material

respects as of such date and (ii) each such Loan is an Eligible Loan. On each Funding Date, the Borrower shall be deemed to represent and warrant that any additional Loan referenced on the related Borrower Notice delivered pursuant to Sections 2.1 and 2.2 is an Eligible Loan.

(aa) USA PATRIOT Act. Neither the Borrower nor any Affiliate of the Borrower is (1) a country, territory, organization, person or entity named on an Office of Foreign Assets Control (OFAC) list, (2) a Person that resides or has a place of business in a country or territory named on such lists or which is designated as a Non-Cooperative Jurisdiction by the Financial Action Task Force on Money Laundering, or whose subscription funds are transferred from or through such a jurisdiction; (3) a "Foreign Shell Bank" within the meaning of the USA PATRIOT Act, i.e., a foreign bank that does not have a physical presence in any country and that is not affiliated with a bank that has a physical presence and an acceptable level of regulation and supervision; or (4) a person or entity that resides in or is organized under the laws of a jurisdiction designated by the United States Secretary of the Treasury under Section 311 or 312 of the USA PATRIOT Act as warranting special measures due to money laundering concerns.

(bb) Use of Proceeds. The proceeds of the Advances shall only be used for (i) working capital, (ii) the refinance of existing indebtedness and (iii) other lawful purposes, including without limitation, investments in equity, debt and other securities in the normal course of business.

Section 4.2 Joint Representations and Warranties Regarding Ordinary Course of Business.

(a) Each of the Borrower and the Administrative Agent represents and warrants as to itself that each remittance of Collections by the Borrower to the Administrative Agent pursuant to the terms of this Agreement will have been (i) in payment of a debt incurred by the Borrower in the ordinary course of business or financial affairs of the Borrower and the Administrative Agent and (ii) made in the ordinary course of business or financial affairs of the Borrower and the Administrative Agent.

(b) The representations and warranties set forth in this Section 4.2 and shall survive the termination of this Agreement.

ARTICLE V

GENERAL COVENANTS OF THE BORROWER

Section 5.1 Covenants of the Borrower.

The Borrower hereby covenants that:

(a) Compliance with Laws. The Borrower will comply in all material respects with all Applicable Laws, including those with respect to the Loans in the Collateral and any Related Property.

(b) Preservation of Corporate Existence. The Borrower will preserve and maintain its existence, rights, franchises and privileges in the jurisdiction of its formation, and qualify and remain qualified in good standing in each jurisdiction where the failure to maintain such existence, rights, franchises, privileges and qualification has had, or could reasonably be expected to have, a Material Adverse Effect.

(c) Security Interests. Except as contemplated in this Agreement, the Borrower will not sell, pledge, assign or transfer to any other Person, or grant, create, incur, assume or suffer to exist any Lien on any Loan or Related Property that is part of the Collateral, whether now existing or hereafter transferred hereunder, or any interest therein. The Borrower will promptly notify the Administrative Agent of the existence of any Lien on any Loan or Related Property that is part of the Collateral and the Borrower shall defend the right, title and interest of the Administrative Agent as agent for the Secured Parties in, to and under any Loan and the Related Property that is part of the Collateral, against all claims of third parties; provided, however, that nothing in this Section 5.1(c) shall prevent or be deemed to prohibit the Borrower from suffering to exist Permitted Liens upon any Loan or any Related Property that is part of the Collateral.

(d) Delivery of Collections. The Borrower agrees to cause the delivery to the Servicer promptly (but in no event later than two (2) Business Days after receipt) all Collections (including any Deemed Collections) received by Borrower in respect of the Loans that are part of the Collateral.

(e) Activities of Borrower. The Borrower shall not engage in any business or activity of any kind, or enter into any transaction or indenture, mortgage, instrument, agreement, contract, Loan or other undertaking, which is not incidental to the transactions contemplated and authorized by this Agreement or the Purchase Agreement.

(f) Indebtedness. The Borrower shall not create, incur, assume or suffer to exist any Indebtedness or other liability whatsoever, except (i) obligations incurred under this Agreement, under any Hedging Agreement required by Section 5.2(a), or the Purchase Agreement, or (ii) liabilities incident to the maintenance of its existence in good standing.

(g) Guarantees. The Borrower shall not become or remain liable, directly or indirectly, in connection with any Indebtedness or other liability of any other Person, whether by guarantee, endorsement (other than endorsements of negotiable instruments for deposit or collection in the ordinary course of business), agreement to purchase or repurchase, agreement to supply or advance funds, or otherwise.

(h) Investments. The Borrower shall not make or suffer to exist any loans or advances to, or extend any credit to, or make any investments (by way of transfer of property, contributions to capital, purchase of stock or securities or evidences of indebtedness, acquisition of the business or assets, or otherwise) in, any Person except for purchases of Loans and Supplemental Interests pursuant to the Purchase Agreement, or for investments in Permitted Investments in accordance with the terms of this Agreement.

(i) Merger; Sales. The Borrower shall not enter into any transaction of merger or consolidation, or liquidate or dissolve itself (or suffer any liquidation or dissolution), or acquire

or be acquired by any Person, or convey, sell, loan or otherwise dispose of all or substantially all of its property or business, except as provided for in this Agreement.

(j) Distributions. The Borrower may not declare or pay or make, directly or indirectly, any distribution (whether in cash or other property) with respect to any Person's equity interest in the Borrower (collectively, a "Distribution"), other than (i) any Permitted Distribution or (ii) other Distributions with the consent of the Required Lenders.

(k) Agreements. The Borrower shall not amend or modify (i) the provisions of its limited liability company agreement or (ii) the Purchase Agreement without the consent of the Administrative Agent and prior written notice to each Managing Agent, or issue any power of attorney except to the Administrative Agent or the Servicer.

(l) Separate Existence. The Borrower shall:

(i) Maintain its own deposit account or accounts, separate from those of any Affiliate, with commercial banking institutions. The funds of the Borrower will not be diverted to any other Person or for other than corporate uses of the Borrower.

(ii) Ensure that, to the extent that it shares the same persons as officers or other employees as any of its Affiliates, the salaries of and the expenses related to providing benefits to such officers or employees shall be fairly allocated among such entities, and each such entity shall bear its fair share of the salary and benefit costs associated with all such common officers and employees.

(iii) Ensure that, to the extent that it jointly contracts with any of its Affiliates to do business with vendors or service providers or to share overhead expenses, the costs incurred in so doing shall be allocated fairly among such entities, and each such entity shall bear its fair share of such costs. To the extent that the Borrower contracts or does business with vendors or service providers when the goods and services provided are partially for the benefit of any other Person, the costs incurred in so doing shall be fairly allocated to or among such entities for whose benefit the goods and services are provided, and each such entity shall bear its fair share of such costs. All material transactions between Borrower and any of its Affiliates shall be only on an arm's length basis.

(iv) Maintain a principal executive and administrative office through which its business is conducted separate from those of its Affiliates. To the extent that Borrower and any of its Affiliates have offices in the same location, there shall be a fair and appropriate allocation of overhead costs among them, and each such entity shall bear its fair share of such expenses.

(v) Conduct its affairs strictly in accordance with its limited liability company agreement and observe all necessary, appropriate and customary legal formalities, including, but not limited to, holding all regular and special director's meetings appropriate to authorize all action, keeping separate and accurate records of such meetings, passing all resolutions or consents necessary to authorize actions taken or to be

taken, and maintaining accurate and separate books, records and accounts, including, but not limited to, payroll and transaction accounts.

(vi) Take or refrain from taking, as applicable, each of the activities specified or assumed in the Williams Mullen Opinion, upon which the conclusions expressed therein are based.

(vii) Maintain the effectiveness of, and continue to perform under the Purchase Agreement and the Performance Guaranty, such that it does not amend, restate, supplement, cancel, terminate or otherwise modify the Purchase Agreement or the Performance Guaranty, or give any consent, waiver, directive or approval thereunder or waive any default, action, omission or breach under the Purchase Agreement or the Performance Guaranty or otherwise grant any indulgence thereunder, without (in each case) the prior written consent of the Administrative Agent and each Managing Agent.

(m) Change of Name or Jurisdiction of Borrower; Records. The Borrower (x) shall not change its name or jurisdiction of organization, without 30 days' prior written notice to the Administrative Agent and (y) shall not move, or consent to the Servicer or Collateral Custodian moving, the Loan Documents without 30 days' prior written notice to the Administrative Agent and (z) will promptly take all actions required of each relevant jurisdiction in order to continue the first priority perfected security interest of the Administrative Agent as agent for the Secured Parties (except for Permitted Liens) in all Collateral, and such other actions as the Administrative Agent may reasonably request, including but not limited to delivery of an Opinion of Counsel.

(n) ERISA Matters. The Borrower will not (a) engage or permit any ERISA Affiliate to engage in any prohibited transaction for which an exemption is not available or has not previously been obtained from the United States Department of Labor; (b) permit to exist any accumulated funding deficiency, as defined in Section 302(a) of ERISA and Section 412(a) of the Code, or funding deficiency with respect to any Benefit Plan other than a Multiemployer Plan; (c) fail to make any payments to a Multiemployer Plan that the Borrower or any ERISA Affiliate may be required to make under the agreement relating to such Multiemployer Plan or any law pertaining thereto; (d) terminate any Benefit Plan so as to result in any liability; or (e) permit to exist any occurrence of any reportable event described in Title IV of ERISA.

(o) Originator Collateral. With respect to each item of Collateral acquired by the Borrower, the Borrower will (i) acquire such Collateral pursuant to and in accordance with the terms of the Purchase Agreement, (ii) take all action necessary to perfect, protect and more fully evidence the Borrower's ownership of such Collateral, including, without limitation, (A) filing and maintaining, effective financing statements (Form UCC-1) naming the Originator as seller/debtor and the Borrower as purchaser/creditor in all necessary or appropriate filing offices, and filing continuation statements, amendments or assignments with respect thereto in such filing offices and (B) executing or causing to be executed such other instruments or notices as may be necessary or appropriate, including, without limitation, Assignments of Mortgage, and (iii) take all additional action that the Administrative Agent may reasonably request to perfect,

protect and more fully evidence the respective interests of the parties to this Agreement in the Collateral.

(p) Transactions with Affiliates. The Borrower will not enter into, or be a party to, any transaction with any of its Affiliates or Control Affiliates, except (i) the transactions permitted or contemplated by this Agreement, including, without limitation, Controlled Transactions, (ii) the Purchase Agreement and any Hedging Agreements and any transactions incidental to the foregoing, and (iii) other transactions (including, without limitation, transactions related to the use of office space or computer equipment or software by the Borrower to or from an Affiliate or Control Affiliate) (A) in the ordinary course of business, (B) pursuant to the reasonable requirements of the Borrower's business, (C) upon fair and reasonable terms that are no less favorable to the Borrower than could be obtained in a comparable arm's-length transaction with a Person not an Affiliate or Control Affiliate of the Borrower, and (D) not inconsistent with the factual assumptions set forth in the Williams Mullen Opinion, as such assumptions may be modified in any subsequent opinion letters delivered to the Administrative Agent pursuant to Section 3.2 or otherwise. It is understood that any compensation arrangement for any officer or employee shall be permitted under clause (iii)(A) through (C) above if such arrangement has been expressly approved by the managers of the Borrower in accordance with the Borrower's limited liability company agreement.

(q) Change in the Transaction Documents. The Borrower will not amend, modify, waive or terminate any terms or conditions of any of the Transaction Documents to which it is a party, without the prior written consent of the Administrative Agent.

(r) Credit and Collection Policy. The Borrower will (a) comply in all material respects with the Credit and Collection Policy in regard to each Transferred Loan and the Related Property, and in regard to compliance with Loan Documents, including determinations with respect to the enforcement of its rights thereunder, and (b) furnish to the Administrative Agent and each Managing Agent, at least 20 days prior to its proposed effective date, prompt notice of any material changes in the Credit and Collection Policy. The Borrower will not agree or otherwise permit to occur any material change in the Credit and Collection Policy, which change would impair the collectibility of any Loan or otherwise adversely affect the interests or remedies of the Administrative Agent or the Secured Parties under this Agreement or any other Transaction Document, without the prior written consent of the Administrative Agent (in its sole discretion).

(s) Extension or Amendment of Loans. The Borrower will not, except as otherwise permitted in Section 7.4(a) extend, amend or otherwise modify, or permit the Servicer on its behalf to extend, amend or otherwise modify, the terms of any Loan.

(t) Reporting. The Borrower will furnish to the Administrative Agent and each Managing Agent:

(i) as soon as possible and in any event within two (2) Business Days after the occurrence of each Early Termination Event and each Unmatured Termination Event,

a written statement, signed by a Responsible Officer, setting forth the details of such event and the action that the Borrower proposes to take with respect thereto;

(ii) promptly upon request, such other information, documents, records or reports respecting the Transferred Loans or the condition or operations, financial or otherwise, of the Borrower or Originator as the Administrative Agent may from time to time reasonably request in order to protect the interests of the Administrative Agent or the Secured Parties under or as contemplated by this Agreement;

(iii) promptly, but in no event later than two (2) Business Days after its receipt thereof, copies of any and all notices, certificates, documents, or reports delivered to it by the Originator under the Purchase Agreement; and

(iv) not later than the last day of each calendar month, a report listing each Transferred Loan that became a Credit Modified Loan during such calendar month, including a description in reasonable detail of the modification(s) made to each such Credit Modified Loan and attaching all applicable credit write-ups and/or approvals with respect to such modifications.

(u) Independent Directors. A minimum of two (2) Persons appointed as members of the Board of Directors of the Borrower will at all times satisfy the definition of an Independent Director specified in the LLC Agreement as in effect on the Effective Date, with such changes to such definition as may thereafter be approved by the Required Lenders. The Borrower will deliver written notice to the Administrative Agent at least eight (8) calendar days prior to the effectiveness of the resignation or termination of an Independent Director.

Section 5.2 Hedging Agreement.

(a) If at any time the aggregate Purchased Loan Balances of Fixed Rate Loans exceeds 20% of the Aggregate Purchased Loan Balance, the Borrower shall, with respect only to such Purchased Loan Balance of Fixed Rate Loans aggregating in excess of 20% of the Aggregate Purchased Loan Balance, enter into and maintain a Hedge Transaction with a Hedge Counterparty which Hedge Transaction shall: (i) be in the form of (A) interest rate caps having a notional amount equal to the Purchased Loan Balance of such Fixed Rate Loans and an amortization schedule that provides for payments through a date which is within three (3) months of the maturity of the applicable Fixed Rate Loans (i.e., the Purchased Loan Balance of Fixed Rate Loans in excess of 20% of the Aggregate Purchased Loan Balance as set forth above) or (B) such other form as shall be approved by the Managing Agents and (ii) shall provide for payments to the Borrower to the extent that the Adjusted Term SOFR Rate shall exceed a rate agreed upon between the Managing Agents and the Borrower.

(b) As additional security hereunder, the Borrower hereby assigns to the Administrative Agent, as agent for the Secured Parties, all right, title and interest of the Borrower in any and all Hedging Agreements, any and all Hedge Transactions, and any and all present and future amounts payable by a Hedge Counterparty to the Borrower under or in connection with its respective Hedging Agreement and Hedge Transaction(s) (collectively, the "Hedge Collateral"), and grants a security interest to the Administrative Agent, as agent for the

Secured Parties, in the Hedge Collateral. The Borrower acknowledges that, as a result of that assignment, the Borrower may not, without the prior written consent of the Administrative Agent, exercise any rights under any Hedging Agreement or Hedge Transaction, except for the Borrower's right under any Hedging Agreement to enter into Hedge Transactions in order to meet the Borrower's obligations under Section 5.2(a) hereof. Nothing herein shall have the effect of releasing the Borrower from any of its obligations under any Hedging Agreement or any Hedge Transaction, nor be construed as requiring the consent of the Administrative Agent or any Secured Party for the performance by the Borrower of any such obligations.

ARTICLE VI

SECURITY INTEREST

Section 6.1 Security Interest.

As collateral security for the prompt, complete and indefeasible payment and performance in full when due, whether by lapse of time, acceleration or otherwise, of the Obligations, the Borrower hereby assigns, pledges and grants to the Administrative Agent, as agent for the Secured Parties, a lien on and security interest in all of the Borrower's right, title and interest in, to and under (but none of its obligations under) the Collateral, whether now existing or owned or hereafter arising or acquired by the Borrower, and wherever located. The assignment under this Section 6.1 does not constitute and is not intended to result in a creation or an assumption by the Administrative Agent, the Managing Agents or any of the Secured Parties of any obligation of the Borrower or any other Person in connection with any or all of the Collateral or under any agreement or instrument relating thereto. Anything herein to the contrary notwithstanding, (a) the Borrower shall remain liable under the Transferred Loans to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Administrative Agent, as agent for the Secured Parties, of any of its rights in the Collateral shall not release the Borrower from any of its duties or obligations under the Collateral, and (c) none of the Administrative Agent, the Managing Agents or any Secured Party shall have any obligations or liability under the Collateral by reason of this Agreement, nor shall the Administrative Agent, the Managing Agents or any Secured Party be obligated to perform any of the obligations or duties of the Borrower thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

Section 6.2 Remedies.

The Administrative Agent (for itself and on behalf of the other Secured Parties) shall have all of the rights and remedies of a secured party under the UCC and other Applicable Law. Upon the occurrence and during the continuance of an Early Termination Event, the Administrative Agent or its designees may (i) deliver a notice of exclusive control to the Collateral Custodian; (ii) instruct the Collateral Custodian to deliver any or all of the Collateral to the Administrative Agent or its designees and otherwise give all instructions and entitlement orders to the Collateral Custodian regarding the Collateral; (iii) require that the Borrower or the Collateral Custodian immediately take action to liquidate the Collateral to pay amounts due and payable in respect of the Obligations; (iv) sell or otherwise dispose of the Collateral in a

payable in respect of the Obligations; (iv) sell or otherwise dispose of the Collateral in a

commercially reasonable manner, all without judicial process or proceedings; (v) take control of the Proceeds of any such Collateral; (vi) exercise any consensual or voting rights in respect of the Collateral; (vii) release, make extensions, discharges, exchanges or substitutions for, or surrender all or any part of the Collateral; (viii) enforce the Borrower's rights and remedies under the Custody Agreement with respect to the Collateral; (ix) institute and prosecute legal and equitable proceedings to enforce collection of, or realize upon, any of the Collateral; (x) remove from the Borrower's, the Servicer's, the Collateral Custodian's and their respective agents' place of business all books, records and documents relating to the Collateral; and/or (xi) endorse the name of the Borrower upon any items of payment relating to the Collateral or upon any proof of claim in bankruptcy against an account debtor. For purposes of taking the actions described in subsections (i) through (xi) of this Section 6.2 the Borrower hereby irrevocably appoints the Administrative Agent as its attorney-in-fact (which appointment being coupled with an interest is irrevocable while any of the Obligations remain unpaid), with power of substitution, in the name of the Administrative Agent or in the name of the Borrower or otherwise, for the use and benefit of the Administrative Agent, but at the cost and expense of the Borrower and without notice to the Borrower; provided that the Administrative Agent hereby agrees to exercise such power only so long as an Early Termination Event shall be continuing. The Administrative Agent and the other Secured Parties agree that the sale of the Collateral shall be conducted in good faith and in accordance with commercially reasonable practices.

Section 6.3 Release of Liens.

(a) If (i) the Borrowing Base Test is met, and (ii) no Early Termination Event or Unmatured Termination Event has occurred and is continuing, at the same time as any Loan that is part of the Collateral expires by its terms and all amounts in respect thereof have been paid by the related Obligor and deposited in the Collection Account, the Administrative Agent as agent for the Secured Parties will, to the extent requested by the Borrower or the Servicer on behalf of the Borrower, release its interest in such Loan and any Supplemental Interests related thereto. In connection with any such release on or after the occurrence of the above, the Administrative Agent, as agent for the Secured Parties, will execute and deliver to the Borrower or the Servicer on behalf of the Borrower any termination statements and any other releases and instruments as the Borrower or the Servicer on behalf of the Borrower may reasonably request in order to effect the release of such Loan and Supplemental Interest; provided that the Administrative Agent as agent for the Secured Parties will make no representation or warranty, express or implied, with respect to any such Loan or Supplemental Interest in connection with such sale or transfer and assignment.

(b) Upon any request for a release of certain Loans in connection with a proposed Discretionary Sale, if, upon application of the proceeds of such transaction in accordance with Section 2.8, the requirements of Section 2.16 shall have been met, the Administrative Agent as agent for the Secured Parties will, to the extent requested by the Borrower or the Servicer on behalf of the Borrower, release its interest in such Loan and any Supplemental Interests related thereto. In connection with any such release on or after the occurrence of the above, the Administrative Agent, as agent for the Secured Parties, will execute and deliver to the Borrower or the Servicer on behalf of the Borrower any termination statements and any other releases and instruments as the Borrower or the Servicer on behalf of the Borrower may reasonably request in

order to effect the release of such Loan and Supplemental Interest; provided that the Administrative Agent as agent for the Secured Parties will make no representation or warranty, express or implied, with respect to any such Loan or Supplemental Interest in connection with such sale or transfer and assignment.

(c) Upon receipt by the Administrative Agent of the Proceeds of a repurchase of an Ineligible Loan (as such term is defined in the Purchase Agreement), by the Originator pursuant to the terms of Section 6.1 of the Purchase Agreement, the Administrative Agent, as agent for the Secured Parties, shall be deemed to have automatically released its interest in such Ineligible Loan and any Supplemental Interests related thereto without any further action on its part. In connection with any such release on or after the occurrence of such repurchase, the Administrative Agent, as agent for the Secured Parties, will execute and deliver to the Borrower or the Servicer on behalf of the Borrower any releases and instruments as the Borrower or the Servicer on behalf of the Borrower may reasonably request in order to effect the release of such Ineligible Loan and Supplemental Interest.

(d) Upon receipt by the Administrative Agent of the Proceeds of a purchase of a Transferred Loan by the Servicer pursuant to the terms of Section 7.7, the Administrative Agent, as agent for the Secured Parties, shall be deemed to have automatically released its interest in such Transferred Loan and any Supplemental Interests related thereto without any further action on its part. In connection with any such release on or after the occurrence of such purchase, the Administrative Agent, as agent for the Secured Parties, will execute and deliver to the Borrower or the Servicer on behalf of the Borrower any releases and instruments as the Borrower or the Servicer on behalf of the Borrower may reasonably request in order to effect the release of such Transferred Loan and Supplemental Interest.

Section 6.4 Assignment of the Purchase Agreement.

The Borrower hereby represents, warrants and confirms to the Administrative Agent that the Borrower has assigned to the Administrative Agent, for the ratable benefit of the Secured Parties hereunder, all of the Borrower's right and title to and interest in the Purchase Agreement. The Borrower confirms that following an Early Termination Event the Administrative Agent shall have the sole right to enforce the Borrower's rights and remedies under the Purchase Agreement for the benefit of the Secured Parties, but without any obligation on the part of the Administrative Agent, the Secured Parties or any of their respective Affiliates to perform any of the obligations of the Borrower under the Purchase Agreement. The Borrower further confirms and agrees that such assignment to the Administrative Agent shall terminate upon the Collection Date; provided, however, that the rights of the Administrative Agent and the Secured Parties pursuant to such assignment with respect to rights and remedies in connection with any indemnities and any breach of any representation, warranty or covenants made by the Originator pursuant to the Purchase Agreement, which rights and remedies survive the Termination of the Purchase Agreement, shall be continuing and shall survive any termination of such assignment.

ARTICLE VII

ADMINISTRATION AND SERVICING OF LOANS

Section 7.1 Appointment of the Servicer.

The Borrower hereby appoints the Servicer to service the Transferred Loans and enforce its respective rights and interests in and under each Transferred Loan in accordance with the terms and conditions of this Article VII and to serve in such capacity until the termination of its responsibilities pursuant to Section 7.18. The Servicer hereby agrees to perform the duties and obligations with respect thereto set forth herein. The Servicer and the Borrower hereby acknowledge that the Administrative Agent and the Secured Parties are third party beneficiaries of the obligations undertaken by the Servicer hereunder.

Section 7.2 Duties and Responsibilities of the Servicer.

(a) The Servicer shall conduct the servicing, administration and collection of the Transferred Loans and shall take, or cause to be taken, all such actions as may be necessary or advisable to service, administer and collect Transferred Loans from time to time on behalf of the Borrower and as the Borrower's agent.

(b) The duties of the Servicer, as the Borrower's agent, shall include, without limitation:

(i) preparing and submitting of claims to, and post-billing liaison with, Obligors on Transferred Loans;

(ii) maintaining all necessary Servicing Records with respect to the Transferred Loans and providing such reports to the Borrower, the Managing Agents and the Administrative Agent in respect of the servicing of the Transferred Loans (including information relating to its performance under this Agreement) as may be required hereunder or as the Borrower, any Managing Agent or the Administrative Agent may reasonably request;

(iii) maintaining and implementing administrative and operating procedures (including, without limitation, an ability to recreate Servicing Records evidencing the Transferred Loans in the event of the destruction of the originals thereof) and keeping and maintaining all documents, books, records and other information reasonably necessary or advisable for the collection of the Transferred Loans (including, without limitation, records adequate to permit the identification of each new Transferred Loan and all Collections of and adjustments to each existing Transferred Loan); provided, however, that any Successor Servicer shall only be required to recreate the Servicing Records of each prior Servicer to the extent such records have been delivered to it in a format reasonably acceptable to such Successor Servicer;

(iv) promptly delivering to the Borrower, any Managing Agent or the Administrative Agent, from time to time, such information and Servicing Records (including information relating to its performance under this Agreement) as the Borrower, such Managing Agent or the Administrative Agent from time to time reasonably request;

(v) identifying each Transferred Loan clearly and unambiguously in its Servicing Records to reflect that such Transferred Loan is owned by the Borrower and pledged to the Administrative Agent;

(vi) complying in all material respects with the Credit and Collection Policy in regard to each Transferred Loan;

(vii) complying in all material respects with all Applicable Laws with respect to it, its business and properties and all Transferred Loans and Collections with respect thereto;

(viii) preserving and maintaining its existence, rights, licenses, franchises and privileges as a corporation in the jurisdiction of its organization, and qualifying and remaining qualified in good standing as a foreign corporation and qualifying to and remaining authorized and licensed to perform obligations as Servicer (including enforcement of collection of Transferred Loans on behalf of the Borrower, Lenders, each Hedge Counterparty and the Collateral Custodian) in each jurisdiction where the failure to preserve and maintain such existence, rights, franchises, privileges and qualification would materially adversely affect (A) the rights or interests of the Borrower, Lenders, each Hedge Counterparty and the Collateral Custodian in the Transferred Loans, (B) the collectibility of any Transferred Loan, or (C) the ability of the Servicer to perform its obligations hereunder; and

(ix) notifying the Borrower, each Managing Agent and the Administrative Agent of any material action, suit, proceeding, dispute, offset, deduction, defense or counterclaim that is or is threatened to be (1) asserted by an Obligor with respect to any Transferred Loan; or (2) reasonably expected to have a Material Adverse Effect; and

(c) The Borrower and Servicer hereby acknowledge that the Secured Parties, the Administrative Agent and the Collateral Custodian shall not have any obligation or liability with respect to any Transferred Loans, nor shall any of them be obligated to perform any of the obligations of the Servicer hereunder.

Section 7.3 Authorization of the Servicer.

(a) Each of the Borrower, each Managing Agent, on behalf of itself and the related Lenders, the Administrative Agent and each Hedge Counterparty hereby authorizes the Servicer (including any successor thereto) to take any and all reasonable steps in its name and on its behalf necessary or desirable and not inconsistent with the pledge of the Transferred Loans to the Lender, each Hedge Counterparty, and the Collateral Custodian, in the determination of the Servicer, to collect all amounts due under any and all Transferred Loans, including, without limitation, endorsing any of their names on checks and other instruments representing Collections, executing and delivering any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, and all other comparable instruments, with respect to the Transferred Loans and, after the delinquency of any Transferred Loan and to the extent permitted under and in compliance with Applicable Law, to commence proceedings with respect to enforcing payment thereof, to the same extent as the Originator could have done if it had

continued to own such Loan; provided, however, that the Servicer may not execute any document in the name of, or which imposes any direct obligation on, any Lender. The Borrower shall furnish the Servicer (and any successors thereto) with any powers of attorney and other documents necessary or appropriate to enable the Servicer to carry out its servicing and administrative duties hereunder, and shall cooperate with the Servicer to the fullest extent in order to ensure the collectibility of the Transferred Loans. In no event shall the Servicer be entitled to make the Borrower, any Lender, any Managing Agent, any Hedge Counterparty, the Collateral Custodian or the Administrative Agent a party to any litigation without such party's express prior written consent, or to make the Borrower a party to any litigation (other than any routine foreclosure or similar collection procedure) without the Administrative Agent's consent.

(b) After an Early Termination Event has occurred and is continuing, at the Administrative Agent's direction, the Servicer shall take such action as the Administrative Agent may deem necessary or advisable to enforce collection of the Transferred Loans; provided, however, that the Administrative Agent may, at any time that an Early Termination Event has occurred and is continuing, notify any Obligor with respect to any Transferred Loans of the assignment of such Transferred Loans to the Administrative Agent and direct that payments of all amounts due or to become due to the Borrower thereunder be made directly to the Administrative Agent or any servicer, collection agent or lock-box or other account designated by the Administrative Agent and, upon such notification and at the expense of the Borrower, the Administrative Agent may enforce collection of any such Transferred Loans and adjust, settle or compromise the amount or payment thereof. The Administrative Agent shall give written notice to any Successor Servicer of the Administrative Agent's actions or directions pursuant to this Section 7.3(b), and no Successor Servicer shall take any actions pursuant to this Section 7.3(b) that are outside of its Credit and Collection Policy.

Section 7.4 Collection of Payments.

(a) Collection Efforts, Modification of Loans. The Servicer will make reasonable efforts to collect all payments called for under the terms and provisions of the Transferred Loans as and when the same become due, and will follow those collection procedures which it follows with respect to all comparable Loans that it services for itself or others. The Servicer may not waive, modify or otherwise vary any provision of a Transferred Loan, except as may be in accordance with the provisions of the Credit and Collection Policy, including the waiver of any late payment charge or any other fees that may be collected in the ordinary course of servicing any Transferred Loan.

(b) Acceleration. The Servicer shall accelerate the maturity of all or any Scheduled Payments under any Transferred Loan under which a default under the terms thereof has occurred and is continuing (after the lapse of any applicable grace period) promptly after such Loan becomes a Defaulted Loan or such earlier or later time as is consistent with the Credit and Collection Policy.

(c) Taxes and other Amounts. To the extent provided for in any Transferred Loan, the Servicer will use its best efforts to collect all payments with respect to amounts due for taxes, assessments and insurance premiums relating to such Transferred Loans or the Related Property

and remit such amounts to the appropriate Governmental Authority or insurer on or prior to the date such payments are due.

(d) Payments to Lock-Box Account. On or before the Closing Date, the Servicer shall have instructed all Obligors to make all payments in respect of Transferred Loans to a Lock-Box or directly to a Lock-Box Account or the Collection Account.

(e) Establishment of the Collection Account. The Borrower or the Servicer on its behalf shall cause to be established, on or before the Closing Date, and maintained in the name of the Borrower and assigned to the Administrative Agent as agent for the Secured Parties, with an office or branch of a depository institution or trust company organized under the laws of the United States or any one of the States thereof or the District of Columbia (or any domestic branch of a foreign bank) a segregated corporate trust account (the "Collection Account") for the purpose of receiving Collections from the Collateral; provided, however, that at all times such trust account shall be maintained with (i) the Administrative Agent or (ii) a Qualified Institution.

(f) Adjustments. If (i) the Servicer makes a deposit into the Collection Account in respect of a Collection of a Loan in the Collateral and such Collection was received by the Servicer in the form of a check that is not honored for any reason or (ii) the Servicer makes a mistake with respect to the amount of any Collection and deposits an amount that is less than or more than the actual amount of such Collection, the Servicer shall appropriately adjust the amount subsequently deposited into the Collection Account to reflect such dishonored check or mistake. Any Scheduled Payment in respect of which a dishonored check is received shall be deemed not to have been paid.

Section 7.5 Servicer Advances.

For each Settlement Period, if the Servicer determines that any Scheduled Payment (or portion thereof) that was due and payable pursuant to a Loan included in the Collateral during such Settlement Period was not received prior to the end of such Settlement Period, the Servicer may, but shall not be obligated to, make an advance in an amount up to the amount of such delinquent Scheduled Payment (or portion thereof) to the extent that the Servicer reasonably expects to be reimbursed for such advance; in addition, if on any day there are not sufficient funds on deposit in the Collection Account to pay accrued Interest on any Advance the Settlement Period of which ends on such day, the Servicer may make an advance in the amount necessary to pay such Interest (in either case, any such advance, a "Servicer Advance"). Notwithstanding the preceding sentence, any Successor Servicer will not be obligated to make any Servicer Advances. The Servicer will deposit any Servicer Advances into the Collection Account on or prior to 1:00 p.m. (New York, New York time) on the related Payment Date, in immediately available funds.

Section 7.6 Realization Upon Defaulted Loans or Charged-Off Loans.

The Servicer will use reasonable efforts to repossess or otherwise comparably convert the ownership of any Related Property with respect to a Defaulted Loan or Charged-Off Loan and will act as sales and processing agent for Related Property that it repossesses. The Servicer will follow the practices and procedures set forth in the Credit and Collection Policy in order to

realize upon such Related Property. Without limiting the foregoing, the Servicer may sell any such Related Property with respect to any Defaulted Loan or Charged-Off Loan to the Servicer or its Affiliates for a purchase price equal to the then fair market value thereof; any such sale to be evidenced by a certificate of a Responsible Officer of the Servicer delivered to the Administrative Agent identifying the Defaulted Loan or Charged-Off Loan and the Related Property, setting forth the sale price of the Related Property and certifying that such sale price is the fair market value of such Related Property. In any case in which any such Related Property has suffered damage, the Servicer will not expend funds in connection with any repair or toward the repossession of such Related Property unless it reasonably determines that such repair and/or repossession will increase the Recoveries by an amount greater than the amount of such expenses. The Servicer will remit to the Collection Account the Recoveries received in connection with the sale or disposition of Related Property with respect to a Defaulted Loan or Charged-Off Loan.

Section 7.7 Optional Repurchase of Transferred Loans.

(a) The Servicer may, at any time, notify the Borrower and the Administrative Agent that it (or its assignee) is requesting to purchase any Transferred Loan with respect to which the Borrower or any Affiliate of the Borrower has received notice of the related Obligor's intention to prepay such Transferred Loan in full within a period of not more than sixty (60) days from the date of such notification.

(b) Either of the Originator or the Servicer (or its assignee) may, at its sole option, with respect to any Transferred Loan that it determines, in the exercise of its reasonable discretion, will likely become a Defaulted Loan or a Charged-Off Loan, or that has become a Defaulted Loan or a Charged-Off Loan, notify the Borrower and the Administrative Agent that it is requesting to purchase each such Transferred Loan.

(c) The Servicer (or its assignee) may request purchase of a Transferred Loan pursuant to paragraph (a) or (b) above, and the Originator may request purchase of a Transferred Loan pursuant to paragraph (b) above, by providing five (5) Business Days' prior written notice to Borrower and the Administrative Agent. The Borrower may agree to such purchase with the consent of the Administrative Agent (which consent shall not be unreasonably withheld). With respect to any such purchase of a Transferred Loan, the party providing the required written notice shall, on the date of purchase, either (i) remit to the Borrower in immediately available funds an amount equal to the Repurchase Price therefor or (ii) in the case of a purchase of a Transferred Loan by the Originator, cause an entry to be made in the books of the Borrower to show a reduction in the Originator's equity investment in the Borrower by an amount equal to the Repurchase Price for such Transferred Loan. Upon each purchase of a Transferred Loan pursuant to this Section 7.7, the Borrower shall automatically and without further action be deemed to transfer, assign and set-over to the purchaser thereof all the right, title and interest of the Borrower in, to and under such Transferred Loan and all monies due or to become due with respect thereto, all proceeds thereof and all rights to security for any such Transferred Loan, and all proceeds and products of the foregoing, free and clear of any Lien created pursuant to this Agreement, all of the Borrower's right, title and interest in such Transferred Loan, including any

related Supplemental Interests. Each Lender shall receive five (5) Business Days' notice of any repurchase that results in a prepayment of all or a portion of any Advance.

(d) The Borrower shall, at the sole expense of the party purchasing any Transferred Loan, execute such documents and instruments of transfer as may be prepared by such party and take such other actions as shall reasonably be requested by such party to effect the transfer of the related Transferred Loan pursuant to this Section 7.7.

Section 7.8 Representations and Warranties of the Servicer.

The initial Servicer, and any Successor Servicer (mutatis mutandis), hereby represents and warrants as follows:

(a) Organization and Good Standing. The Servicer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation with all requisite corporate power and authority to own its properties and to conduct its business as presently conducted and to enter into and perform its obligations pursuant to this Agreement.

(b) Due Qualification. The Servicer is qualified to do business as a corporation, is in good standing, and has obtained all licenses and approvals as required under the laws of all jurisdictions in which the ownership or lease of its property and or the conduct of its business (other than the performance of its obligations hereunder) requires such qualification, standing, license or approval, except to the extent that the failure to so qualify, maintain such standing or be so licensed or approved would not have an adverse effect on the interests of the Borrower or of the Lenders. The Servicer is qualified to do business as a corporation, is in good standing, and has obtained all licenses and approvals as required under the laws of all states in which the performance of its obligations pursuant to this Agreement requires such qualification, standing, license or approval and where the failure to qualify or obtain such license or approval would have a material adverse effect on its ability to perform hereunder.

(c) Power and Authority. The Servicer has the corporate power and authority to execute and deliver this Agreement and to carry out its terms. The Servicer has duly authorized the execution, delivery and performance of this Agreement by all requisite corporate action.

(d) No Violation. The consummation of the transactions contemplated by, and the fulfillment of the terms of, this Agreement by the Servicer (with or without notice or lapse of time) will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute a default under, the articles of incorporation or by-laws of the Servicer, or any Contractual Obligation to which the Servicer is a party or by which it or any of its property is bound, (ii) result in the creation or imposition of any Adverse Claim upon any of its properties pursuant to the terms of any such Contractual Obligation (other than this Agreement), or (iii) violate any Applicable Law.

(e) No Consent. No consent, approval, authorization, order, registration, filing, qualification, license or permit of or with any Governmental Authority having jurisdiction over

the Servicer or any of its properties is required to be obtained by or with respect to the Servicer in order for the Servicer to enter into this Agreement or perform its obligations hereunder.

(f) Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of the Servicer, enforceable against the Servicer in accordance with its terms, except as such enforceability may be limited by (i) applicable Insolvency Laws and (ii) general principles of equity (whether considered in a suit at law or in equity).

(g) No Proceeding. There are no proceedings or investigations pending or threatened against the Servicer, before any Governmental Authority (i) asserting the invalidity of this Agreement, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or (iii) seeking any determination or ruling that might (in the reasonable judgment of the Servicer) have a Material Adverse Effect.

(h) Reports Accurate. All Servicer Certificates, Monthly Reports, information, exhibits, financial statements, documents, books, Servicer Records or other reports furnished or to be furnished by the Servicer to the Administrative Agent or a Lender in connection with this Agreement are and will be accurate, true and correct in all material respects.

Section 7.9 Covenants of the Servicer.

The Servicer hereby covenants that:

(a) Compliance with Law. The Servicer will comply in all material respects with all Applicable Laws, including those with respect to the Transferred Loans and Related Property and Loan Documents or any part thereof.

(b) Preservation of Corporate Existence. The Servicer will preserve and maintain its corporate existence, rights, franchises and privileges in the jurisdiction of its formation, and qualify and remain qualified in good standing as a foreign corporation in each jurisdiction where the failure to maintain such existence, rights, franchises, privileges and qualification has had, or could reasonably be expected to have, a Material Adverse Effect.

(c) Obligations with Respect to Loans. The Servicer will duly fulfill and comply with all material obligations on the part of the Borrower to be fulfilled or complied with under or in connection with each Loan and will do nothing to impair the rights of the Borrower or the Administrative Agent as agent for the Secured Parties or of the Secured Parties in, to and under the Collateral.

(d) Preservation of Security Interest. The Servicer on behalf of the Borrower will execute and file (or cause the execution and filing of) such financing and continuation statements and any other documents that may be required by any law or regulation of any Governmental Authority to preserve and protect fully the interest of the Administrative Agent as agent for the Secured Parties in, to and under the Collateral.

(e) Enforcement of Rights. The Servicer shall not permit any Person appointed by it to a position of control with respect to the Obligor of a Transferred Loan to take or permit to be

taken (to the extent within his or her control) any action which shall have (i) caused an equitable subordination of such Transferred Loan to another allowed claim under Section 510(c) of the Bankruptcy Code and (ii) resulted in a loss to the Lenders that is not fully satisfied by or through the assertion of all available claims against the Borrower and through the liquidation of all available Collateral. Each of the parties agrees that under no circumstance shall a violation of this covenant give rise to a recourse obligation of the Servicer.

(f) Change of Name or Jurisdiction; Records. The Servicer (i) shall not change its name or jurisdiction of incorporation, without 30 days' prior written notice to the Borrower and the Administrative Agent, and (ii) shall not move, or consent to the Collateral Custodian moving, the Loan Documents relating to the Transferred Loans without 30 days' prior written notice to the Borrower and the Administrative Agent and, in either case, will promptly take all actions required of each relevant jurisdiction in order to continue the first priority perfected security interest of the Administrative Agent as agent for the Secured Parties on all collateral, and such other actions as the Administrative Agent may reasonably request, including but not limited to delivery of an Opinion of Counsel.

(g) Credit and Collection Policy. The Servicer will (i) comply in all material respects with the Credit and Collection Policy in regard to each Transferred Loan and the Related Property, and in regard to compliance with the Loan Documents, including determinations with respect to the enforcement of the Borrower's rights thereunder and (ii) furnish to each Managing Agent and the Administrative Agent, at least 20 days prior to its proposed effective date, prompt notice of any material change in the Credit and Collection Policy. The Servicer will not agree or otherwise permit to occur any material change in the Credit and Collection Policy, which change would impair the collectibility of any Transferred Loan or otherwise adversely affect the interests or remedies of the Administrative Agent or the Secured Parties under this Agreement or any other Transaction Document, without the prior written consent of the Required Lenders (in their sole discretion).

(h) Early Termination Events. The Servicer will furnish to each Managing Agent and the Administrative Agent, as soon as possible and in any event within three (3) Business Days after the occurrence of each Early Termination Event or Unmatured Termination Event, a written statement setting forth the details of such event and the action that the Servicer proposes to take with respect thereto.

(i) Extension or Amendment of Loans. The Servicer will not, except as otherwise permitted in Section 7.4(a), extend, amend or otherwise modify the terms of any Transferred Loan.

(j) Other. The Servicer will furnish to the Borrower, any Managing Agent and the Administrative Agent such other information, documents records or reports respecting the Transferred Loans or the condition or operations, financial or otherwise of the Servicer as the Borrower, such Managing Agent or the Administrative Agent may from time to time reasonably request in order to protect the respective interests of the Borrower, such Managing Agent, the Administrative Agent or the Secured Parties under or as contemplated by this Agreement.

Section 7.10 Payment of Certain Expenses by Servicer.

The Servicer, so long as it is an Affiliate of the Borrower, will be required to pay all expenses incurred by it in connection with its activities under this Agreement, including fees and disbursements of legal counsel and independent accountants, Taxes imposed on the Servicer, expenses incurred in connection with payments and reports pursuant to this Agreement, and all other fees and expenses not expressly stated under this Agreement for the account of the Borrower. In consideration for the payment by the Borrower of the Servicing Fee, the Servicer will be required to pay all reasonable fees and expenses owing to any bank or trust company in connection with the maintenance of the Collection Account, the Backup Servicer Fee pursuant to the Backup Servicing Agreement and the Collateral Custodian Fee pursuant to the Custody Agreement. The Servicer shall be required to pay such expenses for its own account and shall not be entitled to any payment therefor other than the Servicing Fee.

Section 7.11 Reports.

(a) Monthly Report. With respect to each Determination Date and the related Settlement Period, the Servicer will provide to the Borrower, the Backup Servicer, each Managing Agent and the Administrative Agent, on the related Reporting Date, a monthly statement (a "Monthly Report") signed by a Responsible Officer of the Servicer and substantially in the form of Exhibit E. Except as otherwise set forth in the Backup Servicing Agreement, the Backup Servicer shall have no obligation to review any information in the Monthly Report.

(b) Servicer Certificate. Together with each Monthly Report, the Servicer shall submit to the Borrower, the Backup Servicer, each Managing Agent and the Administrative Agent a certificate (a "Servicer's Certificate"), signed by a Responsible Officer of the Servicer and substantially in the form of Exhibit F, which may be incorporated in the Servicer Report. Except as otherwise set forth in the Backup Servicing Agreement, the Backup Servicer shall have no obligation to review any information in the Servicer Certificate.

(c) Annual Reporting. The Servicer shall deliver, within 180 days after the close of each of its respective fiscal years, audited, unqualified financial statements (which shall include balance sheets, statements of income and retained earnings and a statement of cash flow) for such fiscal year certified in a manner acceptable to the Administrative Agent by independent public accountants acceptable to the Administrative Agent. The provisions of this paragraph (c) shall not apply to any Successor Servicer, including the Backup Servicer.

(d) Quarterly Reporting. The Servicer shall deliver, within 45 days after the close of each quarterly period of each of its respective fiscal years, balance sheets as at the close of each such period and statements of income and retained earnings and a statement of cash flow for the period from the beginning of such fiscal year to the end of such quarter, all certified by its respective chief financial officer. The provisions of this paragraph (d) shall not apply to any Successor Servicer, including the Backup Servicer.

(e) Reserved.

(f) Quarterly Valuation Reports. The Borrower will within ten Business Days after the filing of the Originator's quarterly report on Form 10-Q or annual report on Form 10-K, as applicable (but in any event, not less than once per calendar quarter), submit to each Managing Agent and the Administrative Agent a report showing the price quotes obtained from an Approved Valuation Service for the Transferred Loans, as applicable ("Quarterly Valuation Reports"). Except as otherwise set forth in the Backup Servicing Agreement, the Backup Servicer shall have no duty to review any of the financial information set forth in such Quarterly Valuation Reports.

(g) Financial Statements of the Originator and Borrower. The Borrower and Originator will submit to the Backup Servicer, each Managing Agent and the Administrative Agent, (i) within 45 days after the close of each quarterly period of each respective fiscal year, unaudited consolidating financial statements for such quarterly period, and (ii) within 90 days after the close of each respective fiscal year, unaudited consolidating financial statements for such fiscal year.

Section 7.12 Annual Statement as to Compliance.

The Servicer will provide to the Borrower, each Managing Agent, the Administrative Agent, and the Backup Servicer, within 90 days following the end of each fiscal year of the Servicer, commencing with the fiscal year ending on June 30, 2013, an annual report signed by a Responsible Officer of the Servicer certifying that (a) a review of the activities of the Servicer, and the Servicer's performance pursuant to this Agreement, for the period ending on the last day of such fiscal year has been made under such Person's supervision and (b) the Servicer has performed or has caused to be performed in all material respects all of its obligations under this Agreement throughout such year and no Servicer Termination Event has occurred and is continuing (or if a Servicer Termination Event has so occurred and is continuing, specifying each such event, the nature and status thereof and the steps necessary to remedy such event, and, if a Servicer Termination Event occurred during such year and no notice thereof has been given to the Administrative Agent, specifying such Servicer Termination Event and the steps taken to remedy such event).

Section 7.13 Limitation on Liability of the Servicer and Others.

Except as provided herein, neither the Servicer (including any Successor Servicer) nor any of the directors or officers or employees or agents of the Servicer shall be under any liability to the Borrower, the Administrative Agent, the Lenders or any other Person for any action taken or for refraining from the taking of any action expressly provided for in this Agreement; provided, however, that this provision shall not protect the Servicer or any such Person against any liability that would otherwise be imposed by reason of its willful misfeasance, bad faith or gross negligence in the performance of duties or by reason of its willful misconduct hereunder.

The Servicer shall not be under any obligation to appear in, prosecute or defend any legal action that is not incidental to its duties to service the Transferred Loans in accordance with this Agreement that in its reasonable opinion may involve it in any expense or liability. The Servicer may, in its sole discretion, undertake any legal action relating to the servicing, collection or administration of Transferred Loans and the Related Property that it may reasonably deem

necessary or appropriate for the benefit of the Borrower and the Secured Parties with respect to this Agreement and the rights and duties of the parties hereto and the respective interests of the Borrower and the Secured Parties hereunder.

Section 7.14 The Servicer Not to Resign.

The Servicer shall not resign from the obligations and duties hereby imposed on it except upon its determination that (i) the performance of its duties hereunder is or becomes impermissible under Applicable Law and (ii) there is no reasonable action that it could take to make the performance of its duties hereunder permissible under Applicable Law. Any such determination permitting the resignation of the Servicer shall be evidenced as to clause (i) above by an Opinion of Counsel to such effect delivered to the Borrower and the Administrative Agent. No such resignation shall become effective until a Successor Servicer shall have assumed the responsibilities and obligations of the Servicer in according with the terms of this Agreement.

Section 7.15 Access to Certain Documentation and Information Regarding the Loans.

The Borrower or the Servicer, as applicable, shall provide to the Administrative Agent and each Managing Agent access to the Loan Documents and all other documentation regarding the Transferred Loans and the Related Property, such access being afforded without charge but only (i) upon reasonable prior notice, (ii) during normal business hours and (iii) subject to the Servicer's normal security and confidentiality procedures. From and after (x) the Effective Date and periodically thereafter at the discretion of the Administrative Agent (but in no event limited to fewer than twice per calendar year), the Administrative Agent, on behalf of and with the input of each Managing Agent, may review the Borrower's and the Servicer's collection and administration of the Loans in order to assess compliance by the Servicer with the Servicer's written policies and procedures, as well as with this Agreement and may conduct an audit of the Transferred Loans, Loan Documents and Records in conjunction with such a review, which audit shall be reasonable in scope and shall be completed in a reasonable period of time and (y) the occurrence, and during the continuation of an Early Termination Event, the Administrative Agent and each Managing Agent may review the Borrower's and the Servicer's collection and administration of the Transferred Loans in order to assess compliance by the Servicer with the Servicer's written policies and procedures, as well as with this Agreement, which review shall not be limited in scope or frequency, nor restricted in period. The Administrative Agent may also conduct an audit (as such term is used in clause (x) of this Section 7.15) of the Transferred Loans, Loan Documents and Records in conjunction with such a review. The Borrower shall bear the cost of such reviews and audits.

Section 7.16 Merger or Consolidation of the Servicer.

The Servicer shall not consolidate with or merge into any other Person or convey or transfer its properties and assets substantially as an entirety to any Person unless:

(i) the Person formed by such consolidation or into which the Servicer is merged or the Person that acquires by conveyance or transfer the properties and assets of the Servicer substantially as an entirety shall be, if the Servicer is not the surviving

entity, organized and existing under the laws of the United States or any State or the District of Columbia and shall expressly assume, by an agreement supplemental hereto, executed and delivered to the Borrower and the Administrative Agent in form satisfactory to the Borrower and the Administrative Agent, the performance of every covenant and obligation of the Servicer hereunder (to the extent that any right, covenant or obligation of the Servicer, as applicable hereunder, is inapplicable to the successor entity, such successor entity shall be subject to such covenant or obligation, or benefit from such right, as would apply, to the extent practicable, to such successor entity);

(ii) the Servicer shall have delivered to the Borrower and the Administrative Agent an Officer's Certificate that such consolidation, merger, conveyance or transfer and such supplemental agreement comply with this Section 7.16 and that all conditions precedent herein provided for relating to such transaction have been complied with and an Opinion of Counsel that such supplemental agreement is legal, valid and binding with respect to the successor entity and that the entity surviving such consolidation, conveyance or transfer is organized and existing under the laws of the United States or any State or the District of Columbia. The Borrower and the Administrative Agent shall receive prompt written notice of such merger or consolidation of the Servicer; and

(iii) after giving effect thereto, no Early Termination Event, Unmatured Termination Event or Servicer Termination Event shall have occurred.

Section 7.17 Identification of Records.

The Servicer shall clearly and unambiguously identify each Loan that is part of the Collateral and the Related Property in its computer or other records to reflect that the interest in such Loans and Related Property have been transferred to and are owned by the Borrower and that the Administrative Agent has the interest therein granted by Borrower pursuant to this Agreement.

Section 7.18 Servicer Termination Events.

If any one of the following events (a "Servicer Termination Event") shall occur and be continuing on any day:

(i) any failure by the Servicer to make any payment, transfer or deposit as required by this Agreement and such failure shall continue for two (2) Business Days;

(ii) any failure by the Servicer to give instructions or notice to the Borrower, any Managing Agent and/or the Administrative Agent as required by this Agreement or to deliver any Required Reports hereunder on or before the date occurring two Business Days after the date such instructions, notice or report is required to be made or given, as the case may be, under the terms of this Agreement;

(iii) any failure on the part of the Servicer duly to observe or perform in any material respect any other covenants or agreements of the Servicer set forth in this Agreement or any other Transaction Document to which it is a party as Servicer that

continues unremedied for a period of fifteen (15) days after the first to occur of (A) the date on which written notice of such failure requiring the same to be remedied shall have been given to the Servicer by the Administrative Agent, any Managing Agent or the Borrower and (B) the date on which the Servicer becomes or reasonably should have become aware thereof;

(iv) any representation, warranty or certification made by the Servicer in this Agreement or in any certificate delivered pursuant to this Agreement shall prove to have been false or incorrect in any material respect when made and such failure, if susceptible to a cure, shall continue unremedied for a period of fifteen (15) days after the first to occur of (i) the date on which written notice of such failure requiring the same to be remedied shall have been given to the Servicer by the Administrative Agent, any Managing Agent or the Borrower and (ii) the date on which the Servicer becomes or reasonably should have become aware thereof;

(v) the Servicer shall fail to service the Transferred Loans in accordance with the Credit and Collection Policy;

(vi) an Insolvency Event shall occur with respect to the Servicer;

(vii) the Servicer agrees to materially alter the Credit and Collection Policy without the prior written consent of the Required Lenders;

(viii) any financial or asset information reasonably requested by the Administrative Agent or any Managing Agent as provided herein is not provided as requested within five (5) Business Days (or such longer period as the Administrative Agent or such Managing Agent may consent to) of the receipt by the Servicer of such request;

(ix) the rendering against the Servicer of a final judgment, decree or order for the payment of money in excess of U.S. $5,000,000 (individually or in the aggregate) and the continuance of such judgment, decree or order unsatisfied and in effect for any period of 30 consecutive days without a stay of execution;

(x) the failure of the Performance Guarantor to make any payment due with respect to aggregate recourse debt or other obligations with an aggregate principal amount exceeding U.S. $1,000,000 or the occurrence of any event or condition that would permit acceleration of such recourse debt or other obligations if such event or condition has not been waived;

(xi) any Guarantor Event of Default shall occur;

(xii) any Material Adverse Change occurs in the financial condition of the Servicer or a material adverse change occurs with regard to the collectibility of the Transferred Loans, taken as a whole;

(xiii) any Change-in-Control of the Servicer is made without the prior written consent of the Borrower and the Administrative Agent, other than a Change-in-Control of the Servicer that is a result of transfer to a Permitted Holder;

(xiv) the Performance Guarantor shall fail to maintain a minimum Net Worth equal to the sum of (i) $210,000,000 plus (ii) 50% of any equity and Subordinated Debt issued by the Performance Guarantor after the Amendment No. 2 Effective Date minus (iii) 50% of any equity and Subordinated Debt retired or redeemed by the Performance Guarantor after the Amendment No. 2 Effective Date; provided that, in no event shall the minimum Net Worth be less than $210,000,000;

(xv) the Performance Guarantor shall fail to satisfy the RIC/BDC Requirements;

(xvi) the Performance Guarantor shall fail to maintain "asset coverage" (as defined in and determined pursuant to Section 18 of the 1940 Act, as modified by Section 61 of the 1940 Act) with respect to its "senior securities representing indebtedness" (as defined in Section 18 of the 1940 Act) of at least 150% (or such percentage as may be set forth in Section 18 of the 1940 Act, as modified by Section 61 of the 1940 Act); provided, that for purposes of testing compliance with this Section 7.18(xvi) the impact of the election of ASC 825 or similar accounting guideline with respect to determining the fair value of the debt of the Performance Guarantor on a consolidated basis shall be excluded (for avoidance of doubt, the intent of this language is to cause the debt of the Performance Guarantor to be valued at par value rather than fair value)); or

(xvii) the Performance Guarantor shall pay any cash dividends; provided that the Performance Guarantor shall be permitted to pay cash dividends if the Servicer shall have caused the Performance Guarantor to have delivered a certificate to the Administrative Agent, substantially in the form of Exhibit G hereto, at least 10 Business Days prior to the making of any such cash dividend to the effect that:

(A) the amount of the declared dividend has been determined in good faith by the Board of Directors of the Performance Guarantor on the basis of the most current financial projections of the Performance Guarantor then available for the Related Period (as defined in Exhibit G hereof);

(B) the amount of the declared dividend does not exceed the sum of (i) the net investment income and the net capital gain projected to be realized by the Performance Guarantor for the Related Period based on the financial projections referred to in clause (A) above, and (ii) the amounts deemed by the Performance Guarantor to be considered as having been paid during the prior year in accordance with Section 855(a) of the Code (together clauses (i) and (ii) comprising the "Projected Available Amount"); and

(C) to the extent the declared dividend referred to in clause (B) above exceeds the sum of (i) the net investment income and the net capital gain actually realized by the Performance Guarantor for the Related Period, plus (ii) the

amounts deemed by the Performance Guarantor to be considered as having been paid during the prior year in accordance with Section 855(a) of the Code (the "Excess Payment"); then the proposed dividend to be declared by the Performance Guarantor for the immediately ensuing Related Period shall be reduced by any positive amount resulting from the following calculation: (x) the ensuing Related Period's proposed declared dividend plus the Excess Payment minus (y) the ensuing Related Period's Projected Available Amount;

then, notwithstanding anything herein to the contrary, so long as any such Servicer Termination Events shall not have been remedied at the expiration of any applicable cure period, the Administrative Agent may, or at the direction of the Required Lenders shall, by written notice to the Servicer and the Backup Servicer (a "Termination Notice"), subject to the provisions of Section 7.19, either (i) terminate all of the rights and obligations of the Servicer as Servicer under this Agreement or (ii) terminate all of the rights and obligations of the Servicer as Servicer under this Agreement and simultaneously reappoint the Servicer for a period not to exceed one month (subject to renewal at the sole discretion of the Administrative Agent, acting at the direction of the Required Lenders), at the expiration of which appointment the Servicer's rights and obligations hereunder shall automatically terminate without further action on the part of any party hereto. The Borrower shall pay all reasonable set-up and conversion costs associated with the transfer of servicing rights to the Successor Servicer.

Section 7.19 Appointment of Successor Servicer.

(a) On and after the receipt by the Servicer of a Termination Notice pursuant to Section 7.18, the Servicer shall continue to perform all servicing functions under this Agreement until the date specified in the Termination Notice or otherwise specified by the Administrative Agent, to the Servicer and the Backup Servicer in writing. The Administrative Agent may at the time described in the immediately preceding sentence in its sole discretion, appoint the Backup Servicer as the Servicer hereunder, and the Backup Servicer shall within seven (7) days assume all obligations of the Servicer hereunder, and all authority and power of the Servicer under this Agreement shall pass to and be vested in the Backup Servicer; provided, however, that any Successor Servicer (including, without limitation, the Backup Servicer) shall not (i) be responsible or liable for any past actions or omissions of the outgoing Servicer or (ii) be obligated to make Servicer Advances. The Administrative Agent may appoint (i) the Backup Servicer as successor servicer, or (ii) if the Administrative Agent does not so appoint the Backup Servicer, there is no Backup Servicer or the Backup Servicer is unwilling or unable to assume such obligations on such date, the Administrative Agent shall as promptly as possible appoint an alternate successor servicer to act as Servicer (in each such case, the "Successor Servicer"), and such Successor Servicer shall accept its appointment by a written assumption in a form acceptable to the Administrative Agent.

(b) Upon its appointment as Successor Servicer, the Backup Servicer (subject to Section 7.19(a)) or the alternate successor servicer, as applicable, shall be the successor in all respects to the Servicer with respect to servicing functions under this Agreement, shall assume all Servicing Duties hereunder and shall be subject to all the responsibilities, duties and liabilities relating thereto placed on the Servicer by the terms and provisions hereof, and all references in this Agreement to the Servicer shall be deemed to refer to the Backup Servicer or

the Successor Servicer, as applicable. Any Successor Servicer shall be entitled, with the prior consent of the Administrative Agent, to appoint agents to provide some or all of its duties hereunder, provided that no such appointment shall relieve such Successor Servicer of the duties and obligations of the Successor Servicer pursuant to the terms hereof and that any such subcontract may be terminated upon the occurrence of a Servicer Termination Event.

(c) All authority and power granted to the Servicer under this Agreement shall automatically cease and terminate upon termination of the Servicer under this Agreement and shall pass to and be vested in the Successor Servicer, and, without limitation, the Successor Servicer is hereby authorized and empowered to execute and deliver, on behalf of the Servicer, as attorney-in-fact or otherwise, all documents and other instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such transfer of servicing rights. The Servicer agrees to cooperate with the Successor Servicer in effecting the termination of the responsibilities and rights of the Servicer to conduct servicing on the Collateral.

(d) Upon the Backup Servicer receiving notice that it is required to serve as the Successor Servicer hereunder pursuant to the foregoing provisions of this Section 7.19, the Backup Servicer will promptly begin the transition to its role as Successor Servicer.

(e) The Backup Servicer shall be entitled to receive its Transition Costs incurred in transitioning to Servicer.

Section 7.20 Market Servicing Fee.

Notwithstanding anything to the contrary herein, in the event that a Successor Servicer is appointed Servicer, the Servicing Fee shall equal the market rate for comparable servicing duties to be fixed upon the date of such appointment by such Successor Servicer with the consent of the Administrative Agent (the "Market Servicing Fee").

ARTICLE VIII

EARLY TERMINATION EVENTS

Section 8.1 Early Termination Events.

If any of the following events (each, an "Early Termination Event") shall occur and be continuing:

(a) the Borrower shall fail to (i) make payment of any amount required to be made under the terms of this Agreement and such failure shall continue for more than two (2) Business Days; or (ii) repay all Advances Outstanding on or prior to the Maturity Date; or

(b) the Borrowing Base Test shall not be met, and such failure shall continue for more than two (2) Business Days; or

(c) (i) the Borrower shall fail to perform or observe in any material respect any other covenant or other agreement of the Borrower set forth in this Agreement and any other Transaction Document to which it is a party, or (ii) the Originator shall fail to perform or observe in any material respect any term, covenant or agreement of such Originator set forth in any other Transaction Document to which it is a party, in each case when such failure continues unremedied for more than fifteen (15) days after the first to occur of (i) the date on which written notice of such failure requiring the same to be remedied shall have been given to such Person by the Administrative Agent, any Managing Agent or the Collateral Custodian and (ii) the date on which such Person becomes or should have become aware thereof; or

(d) any representation or warranty made or deemed made hereunder shall prove to be incorrect in any material respect as of the time when the same shall have been made; or

(e) an Insolvency Event shall occur with respect to the Borrower or the Originator; or

(f) a Servicer Termination Event occurs; or

(g) any Change-in-Control of the Borrower or Originator occurs; or

(h) the Borrower or the Servicer defaults in making any payment required to be made under any material agreement for borrowed money to which either is a party and such default is not cured within the relevant cure period; or

(i) the Administrative Agent, as agent for the Secured Parties, shall fail for any reason to have a valid and perfected first priority security interest in any of the Collateral; or

(j) (i) a final judgment for the payment of money in excess of (A) $10,000,000.00 shall have been rendered against the Originator or (B) $500,000 against the Borrower by a court of competent jurisdiction and, if such judgment relates to the Originator, such judgment, decree or order shall continue unsatisfied and in effect for any period of 30 consecutive days without a stay of execution, or (ii) the Originator or the Borrower, as the case may be, shall have made payments of amounts in excess of $10,000,000.00 or $500,000 respectively, in settlement of any litigation; or

(k) the Borrower or the Servicer agrees or consents to, or otherwise permits to occur, any amendment, modification, change, supplement or recession of or to the Credit and Collection Policy in whole or in part that could have a material adverse effect upon the Transferred Loans or interest of any Lender, without the prior written consent of the Required Lenders; or

(l) a Key Man Event occurs; or

(m) on any Determination Date, the Portfolio Yield does not equal or exceed 7.0% on and such failure continues on the next succeeding Determination Date; or

(n) the Rolling Three-Month Default Ratio shall exceed 7.5%; or

(o) the Rolling Three-Month Charged-Off Ratio shall exceed 5.0%; or

(p) the Borrower shall become an "investment company" subject to registration under the 1940 Act; or

(q) the business and other activities of the Borrower or the Originator, including but not limited to, the acceptance of the Advances by the Borrower made by the Lenders, the application and use of the proceeds thereof by the Borrower and the consummation and conduct of the transactions contemplated by the Transaction Documents to which the Borrower or the Originator is a party result in a violation by the Originator, the Borrower, or any other person or entity of the 1940 Act or the rules and regulations promulgated thereunder; or

(r) on any Determination Date, the Interest Coverage Ratio does not equal or exceed 200.0% and such failure continues on the next succeeding Determination Date; or

(s) any Material Adverse Change occurs with respect to the Borrower, the Originator or the Servicer; or

(t) the Required Equity Investment shall not be maintained, and such failure shall continue unremedied for a period of five Business Days;

then, and in any such event, the Administrative Agent shall, at the request, or may with the consent, of the Required Lenders, by notice to the Borrower declare the Termination Date to have occurred, without demand, protest or future notice of any kind, all of which are hereby expressly waived by the Borrower, and all Advances Outstanding and all other amounts owing by the Borrower under this Agreement shall be accelerated and become immediately due and payable, provided that in the event that the Early Termination Event described in subsection (e) herein has occurred, the Termination Date shall automatically occur, without demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower. Upon its receipt of written notice thereof, the Administrative Agent shall promptly notify each Lender of the occurrence of any Early Termination Event.

Section 8.2 Remedies.

(a) Upon any such declaration or automatic occurrence of the Termination Date as specified under Section 8.1, no further Advances will be made, and the Administrative Agent and the other Secured Parties shall have, in addition to all other rights and remedies under this Agreement or otherwise, all rights and remedies provided under the UCC of each applicable jurisdiction and other Applicable Laws, including the right to sell the Collateral, which rights and remedies shall be cumulative. The Administrative Agent and the other Secured Parties agree that the sale of the Collateral shall be conducted in good faith and in accordance with commercially reasonable practices.

(b) Upon any such declaration or automatic occurrence of the Termination Date as specified under Section 8.1, the Borrower and the Servicer hereby agree that they will, at the expense of Borrower or, if such Termination Date occurred as a result of a Servicer Termination Event, at the expense of the initial Servicer or any Affiliate of the initial Servicer if appointed as

Successor Servicer hereunder, and upon request of the Administrative Agent, forthwith, (i) assemble all or any part of the Collateral as directed by the Administrative Agent, and make the same available to the Administrative Agent, at a place to be designated by the Administrative Agent, and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at a public sale in accordance with commercially reasonable practices. If there is no recognizable public market for sale of any portion of Collateral, then a private sale of that Collateral may be conducted only on an arm's length basis and in accordance with commercially reasonable practices. The Borrower agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to the Borrower of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Administrative Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Administrative Agent, may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. All cash Proceeds received by the Administrative Agent in respect of any sale of, collection from, or other realization upon, all or any part of the Collateral (after payment of any amounts incurred by the Administrative Agent or any of the Secured Parties in connection with such sale) shall be deposited into the Collection Account and applied against all or any part of the Obligations pursuant to Section 2.8.

(c) If the Administrative Agent proposes to sell the Collateral or any part thereof in one or more parcels at a public or private sale, the Borrower shall have the right of first refusal to repurchase the Collateral, in whole but not in part, prior to such sale at a price not less than the Obligations as of the date of such proposed repurchase. The aforementioned rights and remedies shall be without limitation, and shall be in addition to all other rights and remedies of the Administrative Agent and the Secured Parties otherwise available under any provision of this Agreement by operation of law, at equity or otherwise, each of which are expressly preserved.

ARTICLE IX

INDEMNIFICATION

Section 9.1 Indemnities by the Borrower.

(a) Without limiting any other rights that any such Person may have hereunder or under Applicable Law, the Borrower hereby agrees to indemnify the Administrative Agent, the Managing Agents, the Backup Servicer, any Successor Servicer, the Collateral Custodian, any Secured Party or its assignee and each of their respective Affiliates and officers, directors, employees, members and agents thereof (collectively, the "Indemnified Parties"), forthwith on demand, from and against any and all damages, losses, claims, liabilities and related costs and expenses, including reasonable attorneys' fees and disbursements (all of the foregoing being collectively referred to as "Indemnified Amounts") awarded against or incurred by, any such Indemnified Party or other non-monetary damages of any such Indemnified Party any of them arising out of or as a result of this Agreement, excluding, however, Indemnified Amounts to the extent resulting from gross negligence or willful misconduct on the part of any Indemnified

Party. Without limiting the foregoing, the Borrower shall indemnify the Indemnified Parties for Indemnified Amounts relating to or resulting from:

(i) any Loan treated as or represented by the Borrower to be an Eligible Loan that is not at the applicable time an Eligible Loan;

(ii) reliance on any representation or warranty made or deemed made by the Borrower, the Servicer (or one of its Affiliates) or any of their respective officers under or in connection with this Agreement, which shall have been false or incorrect in any material respect when made or deemed made or delivered;

(iii) the failure by the Borrower or the Servicer (or one of its Affiliates) to comply with any term, provision or covenant contained in this Agreement or any agreement executed in connection with this Agreement, or with any Applicable Law with respect to any Loan comprising a portion of the Collateral, or the nonconformity of any Loan, the Related Property with any such Applicable Law or any failure by the Originator, the Borrower or any Affiliate thereof to perform its respective duties under the Loans included as a part of the Collateral;

(iv) the failure to vest and maintain vested in the Administrative Agent a first priority perfected security interest in the Collateral;

(v) the failure to file, or any delay in filing, financing statements or other similar instruments or documents under the UCC of any applicable jurisdiction or other Applicable Laws with respect to any Collateral whether at the time of any Advance or at any subsequent time and as required by the Transaction Documents;

(vi) any dispute, claim, offset or defense (other than the discharge in bankruptcy of the Obligor) of the Obligor to the payment of any Transferred Loan that is, or is purported to be, an Eligible Loan (including, without limitation, (A) a defense based on the Loan not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms or (B) the equitable subordination of such Loan);

(vii) any failure of the Borrower or the Servicer (if the Originator or one of its Affiliates) to perform its duties or obligations in accordance with the provisions of this Agreement or any failure by the Originator, the Borrower or any Affiliate thereof to perform its respective duties under the Transferred Loans;

(viii) any products liability claim or personal injury or property damage suit or other similar or related claim or action of whatever sort arising out of or in connection with merchandise or services that are the subject of any Transferred Loan or the Related Property;

(ix) the failure by Borrower to pay when due any Taxes for which the Borrower is liable, including without limitation, sales, excise or personal property taxes payable in connection with the Collateral;

(x) any repayment by the Administrative Agent, any Managing Agent or a Secured Party of any amount previously distributed in reduction of Advances Outstanding or payment of Interest or any other amount due hereunder or under any Hedging Agreement, in each case which amount the Administrative Agent, such Managing Agent or a Secured Party believes in good faith is required to be repaid;

(xi) any investigation, litigation or proceeding related to this Agreement or the use of proceeds of Advances or in respect of any Transferred Loan or the Related Property;

(xii) any failure by the Borrower to give reasonably equivalent value to the Originator in consideration for the transfer by the Originator to the Borrower of any Transferred Loan or the Related Property or any attempt by any Person to void or otherwise avoid any such transfer under any statutory provision or common law or equitable action, including, without limitation, any provision of the Bankruptcy Code, or

(xiii) the failure of the Borrower, the Originator or any of their respective agents or representatives to remit to the Servicer or the Administrative Agent, Collections on the Collateral remitted to the Borrower or any such agent or representative in accordance with the terms hereof or the commingling by the Borrower or any Affiliate of any collections.

(b) Any amounts subject to the indemnification provisions of this Section 9.1 shall be paid by the Borrower to the applicable Indemnified Party within two (2) Business Days following the Administrative Agent's demand therefor.

(c) If for any reason the indemnification provided above in this Section 9.1 is unavailable to the Indemnified Party or is insufficient to hold an Indemnified Party harmless, then the Borrower, shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by such Indemnified Party on the one hand and the Borrower, on the other hand but also the relative fault of such Indemnified Party as well as any other relevant equitable considerations.

(d) The obligations of the Borrower under this Section 9.1 shall survive the removal of the Administrative Agent or any Managing Agent and the termination of this Agreement.

(e) The parties hereto agree that the provisions of Section 9.1 shall not be interpreted to provide recourse to the Borrower against loss by reason of the bankruptcy or insolvency (or other credit condition) of, or default by, an Obligor on, any Transferred Loan.

Section 9.2 Indemnities by the Servicer.

(a) Without limiting any other rights that any such Person may have hereunder or under Applicable Law, the Servicer hereby agrees to indemnify each Indemnified Party, forthwith on demand, from and against any and all Indemnified Amounts (calculated without duplication of Indemnified Amounts paid by the Borrower pursuant to Section 9.1 above)

awarded against or incurred by any such Indemnified Party by reason of any acts, omissions or alleged acts or omissions of the Servicer, including, but not limited to (i) any representation or warranty made by the Servicer under or in connection with any Transaction Documents to which it is a party, any Monthly Report, Servicer's Certificate or any other information or report delivered by or on behalf of the Servicer pursuant hereto, which shall have been false, incorrect or misleading in any material respect when made or deemed made, (ii) the failure by the Servicer to comply with any Applicable Law, (iii) the failure of the Servicer to comply with its duties or obligations in accordance with the Agreement or (iv) any litigation, proceedings or investigation against the Servicer, excluding, however, (a) Indemnified Amounts to the extent resulting from gross negligence or willful misconduct on the part of such Indemnified Party, and (b) under any Federal, state or local income or franchise taxes or any other Tax imposed on or measured by income (or any interest or penalties with respect thereto or arising from a failure to comply therewith) required to be paid by such Indemnified Party in connection herewith to any taxing authority. The provisions of this indemnity shall run directly to and be enforceable by an injured party subject to the limitations hereof. If the Servicer has made any indemnity payment pursuant to this Section 9.2 and such payment fully indemnified the recipient thereof and the recipient thereafter collects any payments from others in respect of such Indemnified Amounts, the recipient shall repay to the Servicer an amount equal to the amount it has collected from others in respect of such indemnified amounts.

(b) If for any reason the indemnification provided above in this Section 9.2 is unavailable to the Indemnified Party or is insufficient to hold an Indemnified Party harmless, then Servicer shall contribute to the amount paid or payable to such Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by such Indemnified Party on the one hand and Servicer on the other hand but also the relative fault of such Indemnified Party as well as any other relevant equitable considerations.

(c) The obligations of the Servicer under this Section 9.2 shall survive the resignation or removal of the Administrative Agent or any Managing Agents and the termination of this Agreement.

(d) The parties hereto agree that the provisions of this Section 9.2 shall not be interpreted to provide recourse to the Servicer against loss by reason of the bankruptcy or insolvency (or other credit condition) of, or default by, the related Obligor, on any Transferred Loan.

(e) The Servicer shall not be permitted to liquidate any of the Collateral to pay any indemnification payable by the Servicer pursuant to this Section 9.2.

ARTICLE X

THE ADMINISTRATIVE AGENT AND THE MANAGING AGENTS

Section 10.1 Authorization and Action.

(a) Each Secured Party hereby designates and appoints KeyBank as Administrative Agent hereunder, and authorizes KeyBank to take such actions as agent on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms of this Agreement together with such powers as are reasonably incidental thereto. The Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Secured Party, and no implied covenants, functions, responsibilities, duties, obligations or liabilities on the part of the Administrative Agent shall be read into this Agreement or otherwise exist for the Administrative Agent. In performing its functions and duties hereunder, the Administrative Agent shall act solely as agent for the Secured Parties and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for the Borrower or any of its successors or assigns. The Administrative Agent shall not be required to take any action that exposes the Administrative Agent to personal liability or that is contrary to this Agreement or Applicable Law. The appointment and authority of the Administrative Agent hereunder shall terminate at the indefeasible payment in full of the Obligations.

(b) Each Lender hereby designates and appoints the Managing Agent for such Lender's Lender Group as its Managing Agent hereunder, and authorizes such Managing Agent to take such actions as agent on its behalf and to exercise such powers as are delegated to the Managing Agents by the terms of this Agreement together with such powers as are reasonably incidental thereto. No Managing Agent shall have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities on the part of the applicable Managing Agent shall be read into this Agreement or otherwise exist for the applicable Managing Agent. In performing its functions and duties hereunder, each Managing Agent shall act solely as agent for the Lenders in the related Lender Group and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for the Borrower or any of its successors or assigns. No Managing Agent shall be required to take any action that exposes it to personal liability or that is contrary to this Agreement or Applicable Law. The appointment and authority of each Managing Agent hereunder shall terminate at the indefeasible payment in full of the Obligations.

Section 10.2 Delegation of Duties.

(a) The Administrative Agent may execute any of its duties under this Agreement by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

(b) Each Managing Agent may execute any of its duties under this Agreement by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Managing Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 10.3 Exculpatory Provisions.

(a) Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be (i) liable for any action lawfully taken or omitted to be taken by it or them under or in connection with this Agreement (except for its, their or such Person's own gross negligence or willful misconduct or, in the case of the Administrative Agent, the breach of its obligations expressly set forth in this Agreement), or (ii) responsible in any manner to any of the Secured Parties for any recitals, statements, representations or warranties made by the Borrower contained in this Agreement or in any certificate, report, statement or other document referred to or provided for in, or received under or in connection with, this Agreement for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other document furnished in connection herewith, or for any failure of the Borrower to perform its obligations hereunder, or for the satisfaction of any condition specified in Article III. The Administrative Agent shall not be under any obligation to any Secured Party to ascertain or to inquire as to the observance or performance of any of the agreements or covenants contained in, or conditions of, this Agreement, or to inspect the properties, books or records of the Borrower. The Administrative Agent shall not be deemed to have knowledge of any Early Termination Event unless the Administrative Agent has received notice of such Early Termination Event, in a document or other written communication titled "Notice of Early Termination Event" from the Borrower or a Secured Party.

(b) Neither any Managing Agent nor any of its respective directors, officers, agents or employees shall be (i) liable for any action lawfully taken or omitted to be taken by it or them under or in connection with this Agreement (except for its, their or such Person's own gross negligence or willful misconduct or, in the case of a Managing Agent, the breach of its obligations expressly set forth in this Agreement), or (ii) responsible in any manner to the Administrative Agent or any of the Secured Parties for any recitals, statements, representations or warranties made by the Borrower contained in this Agreement or in any certificate, report, statement or other document referred to or provided for in, or received under or in connection with, this Agreement or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other document furnished in connection herewith, or for any failure of the Borrower to perform its obligations hereunder, or for the satisfaction of any condition specified in Article III. No Managing Agent shall be under any obligation to the Administrative Agent or any Secured Party to ascertain or to inquire as to the observance or performance of any of the agreements or covenants contained in, or conditions of, this Agreement, or to inspect the properties, books or records of the Borrower. No Managing Agent shall be deemed to have knowledge of any Early Termination Event unless such Managing Agent has received notice of such Early Termination Event, in a document or other written communication titled "Notice of Early Termination Event" from the Borrower, the Administrative Agent or a Secured Party.

(c) None of the Administrative Agent, any Managing Agent or any Lender shall be deemed to have any fiduciary relationship with the Borrower or the Servicer under this Agreement, and no implied covenants, functions, responsibilities, duties, obligations or liabilities creating any such fiduciary relationship shall be inferred from or in connection with this Agreement except as otherwise provided herein or under Applicable Law.

Section 10.4 Reliance.

(a) The Administrative Agent shall in all cases be entitled to rely, and shall be fully protected in relying, upon any document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Borrower), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent shall in all cases be fully justified in failing or refusing to take any action under this Agreement or any other document furnished in connection herewith unless it shall first receive such advice or concurrence of the Required Lenders or all of the Secured Parties, as applicable, as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders, provided that, unless and until the Administrative Agent shall have received such advice, the Administrative Agent may take or refrain from taking any action, as the Administrative Agent shall deem advisable and in the best interests of the Secured Parties, The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, in accordance with a request of the Required Lenders or all of the Secured Parties, as applicable, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Secured Parties.

(b) Each Managing Agent shall in all cases be entitled to rely, and shall be fully protected in relying, upon any document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Borrower), independent accountants and other experts selected by such Managing Agent. Each Managing Agent shall in all cases be fully justified in failing or refusing to take any action under this Agreement or any other document furnished in connection herewith unless it shall first receive such advice or concurrence of the Lenders in its related Lender Group as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders in its related Lender Group, provided that unless and until such Managing Agent shall have received such advice, the Managing Agent may take or refrain from taking any action, as the Managing Agent shall deem advisable and in the best interests of the Lenders in its Lender Group. Each Managing Agent shall in all cases be fully protected in acting, or in refraining from acting, in accordance with a request of the Lenders in such Managing Agent's Lender Group and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders in such Managing Agent's Lender Group.

Section 10.5 Non-Reliance on Administrative Agent, Managing Agents and Other Lenders.

Each Secured Party expressly acknowledges that neither the Administrative Agent, any other Secured Party nor any of their respective officers, directors, employees, agents, attorneys-in-fact or affiliates has made any representations or warranties to it and that no act by the Administrative Agent or any other Secured Party hereafter taken, including, without limitation, any review of the affairs of the Borrower, shall be deemed to constitute any representation or warranty by the Administrative Agent or any other Secured Party. Each Secured Party represents and warrants to the Administrative Agent and to each other Secured Party that it has and will, independently and without reliance upon the Administrative Agent or any other Secured Party and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property,

prospects, financial and other conditions and creditworthiness of the Borrower and made its own decision to enter into this Agreement.

Section 10.6 Reimbursement and Indemnification.

The Lenders agree to reimburse and indemnify the Administrative Agent, and the Lenders in each Lender Group agree to reimburse the Managing Agent for such Lender Group, and their respective officers, directors, employees, representatives and agents ratably according to their Commitments, as applicable, to the extent not paid or reimbursed by the Borrower (i) for any amounts for which the Administrative Agent, acting in its capacity as Administrative Agent, or any Managing Agent, acting in its capacity as a Managing Agent, is entitled to reimbursement by the Borrower hereunder and (ii) for any other expenses incurred by the Administrative Agent, in its capacity as Administrative Agent, or any Managing Agent, acting in its capacity as a Managing Agent, and acting on behalf of the related Lenders, in connection with the administration and enforcement of this Agreement and the other Transaction Documents.

Section 10.7 Administrative Agent and Managing Agents in their Individual Capacities.

The Administrative Agent, each Managing Agent and each of their respective Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Borrower or any Affiliate of the Borrower as though the Administrative Agent or such Managing Agent, as the case may be, were not the Administrative Agent or a Managing Agent, as the case may be, hereunder. With respect to the acquisition of Advances pursuant to this Agreement, the Administrative Agent, each Managing Agent and each of their respective Affiliates shall have the same rights and powers under this Agreement as any Lender and may exercise the same as though it were not the Administrative Agent or a Managing Agent, as the case may be, and the terms "Lender" and "Lenders" shall include the Administrative Agent or a Managing Agent, as the case may be, in its individual capacity.

Section 10.8 Successor Administrative Agent or Managing Agent.

(a) The Administrative Agent may, upon 5 days' notice to the Borrower and the Secured Parties, and the Administrative Agent will, upon the direction of all of the Lenders resign as Administrative Agent. If the Administrative Agent shall resign, then the Required Lenders during such 5-day period shall appoint from among the Secured Parties a successor agent. If for any reason no successor Administrative Agent is appointed by the Required Lenders during such 5-day period, then effective upon the expiration of such 5-day period, the Secured Parties shall perform all of the duties of the Administrative Agent hereunder and the Borrower shall make all payments in respect of the Obligations or under any Fee Letter delivered by the Borrower to the Administrative Agent and the Secured Parties directly to the applicable Managing Agents, on behalf of the Lenders in the applicable Lender Group and for all purposes shall deal directly with the Secured Parties. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of Article IX and Article X shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

(b) Any Managing Agent may, upon 5 days' notice to the Borrower, the Administrative Agent and the related Lenders, and any Managing Agent will, upon the direction of all of the related Lenders resign as a Managing Agent. If a Managing Agent shall resign, then the related Lenders during such 5-day period shall appoint from among the related Lenders a successor Managing Agent. If for any reason no successor Managing Agent is appointed by such Lenders during such 5-day period, then effective upon the expiration of such 5-day period, such Lenders shall perform all of the duties of the related Managing Agent hereunder. After any retiring Managing Agent's resignation hereunder as a Managing Agent, the provisions of Article IX and Article X shall inure to its benefit as to any actions taken or omitted to be taken by it while it was a Managing Agent under this Agreement.

ARTICLE XI

ASSIGNMENTS; PARTICIPATIONS

Section 11.1 Assignments and Participations.

(a) Neither Borrower nor the Servicer shall have the right to assign its rights or obligations under this Agreement.

(b) Any Lender may at any time and from time to time assign to one or more Persons ("Purchasing Lenders") all or any part of its rights and obligations under this Agreement pursuant to an assignment agreement, substantially in the form set forth in Exhibit C hereto (the "Assignment and Acceptance") executed by such Purchasing Lender and such selling Lender. In addition, except with respect to an assignment to an Affiliate of such Lender, so long as no Early Termination Event or Unmatured Termination Event has occurred and is continuing at such time, the written consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required prior to the effectiveness of any such assignment; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent and the assigning Lender within ten (10) Business Days after having received written notice thereof. Each assignee of a Lender must be an Eligible Assignee and must agree to deliver to the Administrative Agent, promptly following any request therefor by the Managing Agent for its Lender Group, an enforceability opinion in form and substance satisfactory to such Managing Agent. Upon delivery of the executed Assignment and Acceptance to the Administrative Agent, such selling Lender shall be released from its obligations hereunder to the extent of such assignment. Thereafter the Purchasing Lender shall for all purposes be a Lender party to this Agreement and shall have all the rights and obligations of a Lender under this Agreement to the same extent as if it were an original party hereto and no further consent or action by Borrower, the Lenders or the Administrative Agent shall be required. Notwithstanding the foregoing, no assignment shall be made to (A) the Borrower or any of the Borrower's Affiliates, (B) to any Defaulting Lender or (C) a natural person.

(c) By executing and delivering an Assignment and Acceptance, the Purchasing Lender thereunder and the selling Lender thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such selling Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in

connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such Purchasing Lender confirms that it has received a copy of this Agreement, together with copies of such financial statements and other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iii) such Purchasing Lender will, independently and without reliance upon the Administrative Agent or any Managing Agent, the selling Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (iv) such Purchasing Lender and such selling Lender confirm that such Purchasing Lender is an Eligible Assignee; (v) such Purchasing Lender appoints and authorizes each of the Administrative Agent and the applicable Managing Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to such agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vi) such Purchasing Lender agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(d) The Administrative Agent shall maintain at its address referred to herein a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and the Commitment of, and principal amount of, each Advance owned by each Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Lenders, the Borrower and the Managing Agents may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Lenders, any Managing Agent or the Borrower at any reasonable time and from time to time upon reasonable prior notice.

(e) Subject to the provisions of this Section 11.1, upon their receipt of an Assignment and Acceptance executed by a selling Lender and a Purchasing Lender, the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of Exhibit C hereto, accept such Assignment and Acceptance, and the Administrative Agent shall then (i) record the information contained therein in the Register and (ii) give prompt notice thereof to each Managing Agent.

(f) Any Lender may, in the ordinary course of its business at any time sell to one or more Persons (each a "Participant") participating interests in its Pro-Rata Share of the Advances of the Lenders or any other interest of such Lender hereunder. Notwithstanding any such sale by a Lender of a participating interest to a Participant, such Lender's rights and obligations under this Agreement shall remain unchanged, such Lender shall remain solely responsible for the performance of its obligations hereunder, and the Borrower, the other Lenders, the Managing Agents and the Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Each Lender agrees that any agreement between such Lender and any such Participant in respect of such participating interest shall not restrict such Lender's right to agree to any amendment, supplement, waiver or modification to this Agreement, except for any amendment, supplement, waiver or modification set forth in Section 12.1(iii) of this Agreement.

(g) Each Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 11.1, disclose to the assignee or participant or proposed assignee or participant any information relating to the Borrower or Servicer furnished to such Lender by or on behalf of the Borrower or the Servicer.

(h) Nothing herein shall prohibit any Lender from pledging or assigning as collateral any of its rights under this Agreement to any Federal Reserve Bank or other central bank having jurisdiction over such Lender in accordance with Applicable Law and any such pledge or collateral assignment may be made without compliance with Section 11.1(b) or Section 11.1(c).

(i) In the event any Lender causes increased costs, expenses or taxes to be incurred by the Administrative Agent or Managing Agents in connection with the assignment or participation of such Lender's rights and obligations under this Agreement to an Eligible Assignee then such Lender agrees that it will make reasonable efforts to assign such increased costs, expenses or taxes to such Eligible Assignee in accordance with the provisions of this Agreement.

ARTICLE XII

MISCELLANEOUS

Section 12.1 Amendments and Waivers.

Except as provided in this Section 12.1, no amendment, waiver or other modification of any provision of this Agreement shall be effective without the written agreement of the Borrower, the Administrative Agent, the Swingline Lender, the Required Lenders and the Managing Agents of the Required Lenders; provided, however, that (i) without the consent of the Lenders in any Lender Group (other than the Lender Group to which such Lenders are being added), the Administrative Agent, the Swingline Lender and the applicable Managing Agent may, with the consent of Borrower, amend this Agreement solely to add additional Persons as Lenders hereunder, (ii) any amendment of this Agreement that is solely for the purpose of increasing the Commitment of a specific Lender or increasing the Group Advance Limit of the related Lender Group may be effected with the written consent of the Borrower, the Administrative Agent and the affected Lender, and (iii) the consent of each Lender shall be required to: (A) extend the Commitment Termination Date or the date of any payment or deposit of Collections by the Borrower or the Servicer, (B) reduce the amount (other than by reason of the repayment thereof) or extend the time of payment of Advances Outstanding or reduce the rate or extend the time of payment of Interest (or any component thereof), (C) reduce any fee payable to the Administrative Agent, the Swingline Lender or any Managing Agent for the benefit of the Lenders, (D) amend, modify or waive any provision of the definition of Required Lenders or Sections 2.8, 11.1(a), or 12.1, (E) consent to or permit the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement, (F) amend or waive any Servicer Termination Event or Early Termination Event, (G) change the definition of "Borrowing Base," "Charged-Off Ratio," "Default Ratio," "Eligible Loan" or "Payment Date," or (H) amend or modify any defined term (or any defined term used directly or indirectly in such defined term) used in clauses (A) through (G) above in a manner that would circumvent the intention of the restrictions set forth in such clauses. Any waiver or consent shall be effective

only in the specific instance and for the specific purpose for which given. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver, or consent hereunder (and any amendment, waiver, or consent which by its terms requires the consent of all Lenders may be effected with the consent of all Lenders other than Defaulting Lenders) provided that, without in any way limiting Section 12.16, any such amendment, waiver, or consent that would increase or extend the term of the Commitment or Advances of such Defaulting Lender, extend the date fixed for the payment of principal or interest owing to such Defaulting Lender hereunder, reduce the principal amount of any obligation owing to such Defaulting Lender, reduce the amount of or the rate or amount of interest on any amount owing to such Defaulting Lender or of any fee payable to such Defaulting Lender hereunder, or alter the terms of this proviso, shall require the consent of such Defaulting Lender.

Notwithstanding anything to the contrary, unless signed by the Administrative Agent and the Swingline Lender, no amendment, waiver or consent shall affect the rights or duties of the Administrative Agent or the Swingline Lender, as applicable, under this Agreement or any other Loan Document.

No amendment, waiver or other modification (i) affecting the rights or obligations of any Hedge Counterparty or (ii) having a material effect on the rights or obligations of the Collateral Custodian or the Backup Servicer (including any duties of the Servicer that the Backup Servicer would have to assume as Successor Servicer) shall be effective against such Person without the written agreement of such Person. The Borrower or the Servicer on its behalf will deliver a copy of all waivers and amendments to the Collateral Custodian and the Backup Servicer.

Section 12.2 Notices, Etc.

All notices and other communications provided for hereunder shall, unless otherwise stated herein, be in writing (including communication by electronic mail or facsimile copy) and mailed, sent by overnight courier, transmitted or hand delivered, as to each party hereto, at its address set forth under its name on the signature pages hereof or specified in such party's Assignment and Acceptance or Joinder Agreement or at such other address as shall be designated by such party in a written notice to the other parties hereto. All such notices and communications shall be effective, upon receipt, or in the case of (a) notice by mail, five days after being deposited in the United States mail, first class postage prepaid, (b) notice by courier mail, when it is officially recorded as being delivered to the intended recipient by return receipt, proof of delivery or equivalent, or (c) notice by facsimile copy, when verbal communication of receipt is obtained, except that notices and communications pursuant to this Article XII shall not be effective until received with respect to any notice sent by mail.

Section 12.3 No Waiver, Rights and Remedies.

No failure on the part of the Administrative Agent or any Secured Party or any assignee of any Secured Party to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right. The

rights and remedies herein provided are cumulative and not exclusive of any rights and remedies provided by law.

Section 12.4 Binding Effect.

This Agreement shall be binding upon and inure to the benefit of the Borrower, the Administrative Agent, the Secured Parties and their respective successors and permitted assigns and, in addition, the provisions of Section 2.8 shall inure to the benefit of each Hedge Counterparty, whether or not that Hedge Counterparty is a Secured Party, and the provisions relating to the Backup Servicer, including Sections 2.8, 7.18, 9.1 and 9.2 shall inure to the benefit of the Backup Servicer.

Section 12.5 Term of this Agreement.

This Agreement, including, without limitation, the Borrower's obligation to observe its covenants set forth in Article V, and the Servicer's obligation to observe its covenants set forth in Article VII, shall remain in full force and effect until the Collection Date; provided, however, that the rights and remedies with respect to any breach of any representation and warranty made or deemed made by the Borrower pursuant to Articles III and IV and the indemnification and payment provisions of Article IX and Article X and the provisions of Section 12.9 and Section 12.10 shall be continuing and shall survive any termination of this Agreement.

Section 12.6 GOVERNING LAW; CONSENT TO JURISDICTION; WAIVER OF OBJECTION TO VENUE.

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. EACH OF THE SECURED PARTIES, THE BORROWER AND THE ADMINISTRATIVE AGENT HEREBY AGREES TO THE NON-EXCLUSIVE JURISDICTION OF ANY FEDERAL COURT LOCATED WITHIN THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO AND EACH SECURED PARTY HEREBY WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER IN ANY OF THE AFOREMENTIONED COURTS AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT.

EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 12.2 (EXCEPT THAT FACSIMILE NOTICES SHALL NOT BE EFFECTIVE FOR SERVICE OF PROCESS). NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

Section 12.7 WAIVER OF JURY TRIAL.

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 12.8 Costs, Expenses and Taxes.

(a) In addition to the rights of indemnification granted to the Administrative Agent, the Managing Agents, the other Secured Parties and its or their Affiliates and officers, directors, employees and agents thereof under Article IX hereof, the Borrower agrees to pay on demand all reasonable costs and expenses of the Administrative Agent, the Managing Agents and the other Secured Parties incurred in connection with the preparation, execution, delivery, administration (including periodic auditing), amendment or modification of, or any waiver or consent issued in connection with, this Agreement and the other documents to be delivered hereunder or in connection herewith, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Administrative Agent, the Managing Agents and the other Secured Parties with respect thereto and with respect to advising the Administrative Agent, the Managing Agents and the other Secured Parties as to their respective rights and remedies under this Agreement and the other documents to be delivered hereunder or in connection herewith, and all costs and expenses, if any (including reasonable counsel fees and expenses), incurred by the Administrative Agent, the Managing Agents or the other Secured Parties in connection with the enforcement of this Agreement and the other documents to be delivered hereunder or in connection herewith (including any Hedge Agreement).

(b) The Borrower shall pay on demand any and all stamp, sales, excise and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement, the other documents to be delivered hereunder or any agreement or other document providing liquidity support, credit enhancement or other similar support to the Lender in connection with this Agreement or the funding or maintenance of Advances hereunder.

(c) The Borrower shall pay on demand all other costs, expenses and taxes (excluding income taxes), including, without limitation, all reasonable costs and expenses incurred by the Administrative Agent or any Managing Agent in connection with periodic audits of the Borrower's or the Servicer's books and records, which are incurred as a result of the execution of this Agreement.

Section 12.9 No Proceedings.

Each of the parties hereto (other than the Administrative Agent and the Secured Parties) hereby agrees that it will not institute against, or join any other Person in instituting against the Borrower any Insolvency Proceeding so long as there shall not have elapsed one year and one day since the Collection Date.

Section 12.10 Recourse Against Certain Parties.

(a) No recourse under or with respect to any obligation, covenant or agreement (including, without limitation, the payment of any fees or any other obligations) of the Administrative Agent or any Secured Party as contained in this Agreement or any other agreement, instrument or document entered into by it pursuant hereto or in connection herewith shall be had against any Person or any manager or administrator of such Person or any incorporator, affiliate, stockholder, officer, employee or director of such Person or of the Borrower or of any such manager or administrator, as such, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise.

(b) The provisions of this Section 12.10 shall survive the termination of this Agreement.

Section 12.11 Protection of Security Interest; Appointment of Administrative Agent as Attorney-in-Fact.

(a) The Borrower shall, or shall cause the Servicer to, cause this Agreement, all amendments hereto and/or all financing statements and continuation statements and any other necessary documents covering the right, title and interest of the Administrative Agent as agent for the Secured Parties and of the Secured Parties to the Collateral to be promptly recorded, registered and filed, and at all time to be kept recorded, registered and filed, all in such manner and in such places as may be required by law fully to preserve and protect the right, title and interest of the Administrative Agent as agent for the Secured Parties hereunder to all property comprising the Collateral. The Borrower shall deliver or, shall cause the Servicer to deliver, to the Administrative Agent file-stamped copies of, or filing receipts for, any document recorded, registered or filed as provided above, as soon as available following such recording, registration or filing. The Borrower and the Servicer shall cooperate fully in connection with the obligations set forth above and will execute any and all documents reasonably required to fulfill the intent of this Section 12.11.

(b) The Borrower agrees that from time to time, at its expense, it will promptly execute and deliver all instruments and documents, and take all actions, that may reasonably be necessary or desirable, or that the Administrative Agent may reasonably request, to perfect, protect or more fully evidence the security interest granted to the Administrative Agent, as agent for the Secured Parties, in the Collateral, or to enable the Administrative Agent or the Secured Parties to exercise and enforce their rights and remedies hereunder.

(c) If the Borrower or the Servicer fails to perform any of its obligations hereunder after five Business Days' notice from the Administrative Agent, the Administrative Agent or any Lender may (but shall not be required to) perform, or cause performance of, such obligation; and the Administrative Agent's or such Lender's reasonable costs and expenses incurred in connection therewith shall be payable by the Borrower (if the Servicer that fails to so perform is the Borrower or an Affiliate thereof) as provided in Article IX, as applicable. The Borrower irrevocably authorizes the Administrative Agent and appoints the Administrative Agent as its attorney-in-fact to act on behalf of the Borrower, (i) to execute on behalf of the Borrower as debtor and to file financing statements necessary or desirable in the Administrative Agent's sole discretion to perfect and to maintain the perfection and priority of the interest of the Secured Parties in the Collateral and (ii) to file a carbon, photographic or other reproduction of this Agreement or any financing statement with respect to the Collateral as a financing statement in such offices as the Administrative Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the interests of the Lenders in the Collateral. This appointment is coupled with an interest and is irrevocable.

(d) Without limiting the generality of the foregoing, Borrower will, not earlier than six (6) months and not later than three (3) months prior to the fifth anniversary of the date of filing of any financing statement referred to in Section 5.1(o) or any other financing statement filed pursuant to this Agreement or in connection with any Advance hereunder, unless the Collection Date shall have occurred:

(i) execute and deliver and file or cause to be filed an appropriate continuation statement with respect to such financing statement; and

(ii) deliver or cause to be delivered to the Administrative Agent an opinion of the counsel for Borrower, in form and substance reasonably satisfactory to the Administrative Agent, confirming and updating the opinion delivered pursuant to Section 3.1(a) with respect to perfection and otherwise to the effect that the Collateral hereunder continues to be subject to a perfected security interest in favor of the Administrative Agent, as agent for the Secured Parties, subject to no other Liens of record except as provided herein or otherwise permitted hereunder, which opinion may contain usual and customary assumptions, limitations and exceptions.

Section 12.12 Confidentiality.

(a) Each of the Administrative Agent, the Managing Agents, the other Secured Parties and the Borrower shall maintain and shall cause each of its employees and officers to maintain the confidentiality of this Agreement and the other confidential proprietary information with respect to the other parties hereto and their respective businesses obtained by it or them in connection with the structuring, negotiating and execution of the transactions contemplated herein, except that each such party and its officers and employees may (i) disclose such information to its external accountants and attorneys and as required by an Applicable Law, as required to be publicly filed with SEC, or as required by an order of any judicial or administrative proceeding, (ii) disclose the existence of this Agreement, but not the financial terms thereof, (iii) disclose this Agreement and such information in any suit, action, proceeding or investigation (whether in law or in equity or pursuant to arbitration) involving any of the

Transaction Documents, Loan Documents or any Hedging Agreement for the purpose of defending itself, reducing its liability, or protecting or exercising any of its claims, rights, remedies, or interests under or in connection with any of the Transaction Documents, Loan Documents or any Hedging Agreement and (iv) disclose such information to its Affiliates to the extent necessary in connection with the administration or enforcement of this Agreement or the other Transaction Documents.

(b) Anything herein to the contrary notwithstanding, the Borrower hereby consents to the disclosure of any nonpublic information with respect to it for use in connection with the transactions contemplated herein and in the Transaction Documents (i) to the Administrative Agent or the Secured Parties by each other, (ii) by the Administrative Agent or the Secured Parties to any prospective or actual Eligible Assignee or participant of any of them or in connection with a pledge or assignment to be made pursuant to Section 11.1(h) or (iii) by the Administrative Agent or the Secured Parties to any provider of a surety, guaranty or credit or liquidity enhancement to a Secured Party and to any officers, directors, members, employees, outside accountants and attorneys of any of the foregoing, provided each such Person is informed of the confidential nature of such information and agrees to be bound hereby. In addition, the Secured Parties and the Administrative Agent may disclose any such nonpublic information pursuant to any law, rule, regulation, direction, request or order of any judicial, administrative or regulatory authority or proceedings, including, without limitation, at the request of any self-regulatory authority having jurisdiction over a Lender.

(c) The Borrower and the Servicer each agrees that it shall not (and shall not permit any of its Affiliates to) issue any news release or make any public announcement pertaining to the transactions contemplated by this Agreement and the Transaction Documents without the prior written consent of the Administrative Agent (which consent shall not be unreasonably withheld) unless such news release or public announcement is required by law, in which case the Borrower or the Servicer shall consult with the Administrative Agent and each Managing Agent prior to the issuance of such news release or public announcement. The Borrower and the Servicer each may, however, disclose the general terms of the transactions contemplated by this Agreement and the Transaction Documents to trade creditors, suppliers and other similarly-situated Persons so long as such disclosure is not in the form of a news release or public announcement.

Section 12.13 Execution in Counterparts; Severability; Integration.

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby. This Agreement contains the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof, superseding all prior oral or written understandings other than any Fee Letter.

Section 12.14 Amendment and Restatement.

This Agreement amends and restates in its entirety that certain Fourth Amended and Restated Credit Agreement dated as of October 26, 2011, among the Borrower, the Servicer, the lenders party thereto, the managing agents named therein, and Branch Banking and Trust Company, as administrative agent.

Section 12.15 Patriot Act.

Each Lender that is subject to the USA PATRIOT Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower and the Servicer that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies the Borrower and the Servicer, which information includes the name and address of the Borrower and the Servicer and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower and the Servicer in accordance with the USA PATRIOT Act.

Section 12.16 Defaulting Lenders. Notwithstanding anything contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by Applicable Law:

(a) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 12.1.

(b) Defaulting Lender Waterfall. Until such time as the Default Excess with respect to such Defaulting Lender shall have been reduced to zero:

> except as otherwise provided in this Section 12.16, any payment of principal, interest, fees, or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise, and including any amounts made available to the Administrative Agent by such Defaulting Lender pursuant to Section 12.16), shall be deemed paid to and redirected by such Defaulting Lender to be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Swingline Lender hereunder; third, as the Borrower may request (so long as no Early Termination Event exists), to the funding of any Advance in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fourth, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Advances under this Agreement; fifth, to the

payment of any amounts owing to the Lenders or the Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; sixth, so long as no Early Termination Event exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and seventh, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Advances in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Advances were made at a time when the conditions set forth in Section 3.2 were satisfied or waived, such payment shall be applied solely to pay the Advances of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Advances of such Defaulting Lender until such time as all Advances and funded and unfunded participations in Swing Advances are held by the Lenders pro rata in accordance with the Commitments without giving effect to Section 12.16(d).

(c) Unused Fee. No Defaulting Lender shall be entitled to receive any Unused Fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(d) Reallocation of Participations to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in Swing Advances shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Percentages (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (x) the conditions set forth in Section 3.2 are satisfied at the time of such reallocation (and, unless the Borrower shall have otherwise notified the Administrative Agent at such time, the Borrower shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (y) such reallocation does not cause the aggregate Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(e) Repayment of Swing Advances. If the reallocation described in Section 12.16(d) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under law, prepay Swing Advances in an amount equal to the Swingline Lender's Fronting Exposure (the "Swing Prepayment Amount"). Borrower shall pay the Swing Prepayment Amount within forty-five (45) days of written demand from the Administrative Agent; provided, however, upon the occurrence of an Early

Termination Event, the Swing Prepayment Amount, if any, shall be immediately due and payable by Borrower.

(f) Defaulting Lender Cure. If the Borrower, the Administrative Agent and the Swingline Lender agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Advances of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Advances and funded and unfunded participations in Swing Advances to be held pro rata by the Lenders in accordance with the Commitments (without giving effect to Section 12.16(d)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(g) New Swing Advances. So long as any Lender is a Defaulting Lender, the Swingline Lender shall not fund Swing Advances unless (i) each Non-Defaulting Lender shall have consented thereto, and (ii) the Swingline Lender is satisfied that it will have no Fronting Exposure after giving effect to such Swing Advance and any reallocation to other Lenders.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

BORROWER: GLADSTONE BUSINESS INVESTMENT, LLC

By _____
Title:
Name:
Gladstone Business Investment, LLC
1521 Westbranch Drive, Suite 100
McLean, Virginia 22102
Attention: President
Facsimile No.: (703) 287-5801
Phone No.: (703) 287-5800

SERVICER: GLADSTONE MANAGEMENT CORPORATION

By _____
Title:
Name:
Gladstone Management Corporation
1521 Westbranch Drive, Suite 100
McLean, Virginia 22102
Attention: Chairman
Facsimile No.: (703) 287-5801
Phone No.: (703) 287-5800

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

LENDER, SWINGLINE LENDER, MANAGING AGENT and LEAD ARRANGER:

KEYBANK NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

Commitment: $50,000,000

Specialty Finance and Syndications
1000 South McCaslin Blvd.
Superior, CO 80027
Attention: Richard Andersen
Facsimile No.: (216) 370-9166
Telephone No.: (720) 304-1247
E-mail: LAS.Operations.KEF@key.com

with a copy to:

KeyBank National Association
18101 Von Karman Avenue
Suite 1100
Mailstop: CA-01-19-0250
Irvine, CA 92612
Attention: Rian Emmett
Facsimile No.: (216) 357-6708
Telephone No.: (949) 757-8942
E-mail: rian.w.emmett@key.com

[Signature Page to Fifth Amended and Restated Credit Agreement]

LENDER AND MANAGING AGENT:

BRANCH BANKING AND TRUST COMPANY

By: _____
Name: _____
Title: _____

Commitment: $20,000,000

8200 Greensboro Drive, Suite 800
McLean, VA 22102
Attention: John K. Perez
Team Leader/Senior Vice President
Facsimile No.: (703) 442-5544
Telephone No.: (703) 442-4040
E-mail: jkperez@bbandt.com

[Signature Page to Fifth Amended and Restated Credit Agreement]

ADMINISTRATIVE AGENT:

KEYBANK NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

Specialty Finance and Syndications
1000 South McCaslin Blvd.
Superior, CO 80027
Attention: Richard Andersen
Facsimile No.: (216) 370-9166
Telephone No.: (720) 304-1247
E-mail: LAS.Operations.KEF@key.com

with a copy to:

KeyBank National Association
18101 Von Karman Avenue
Suite 1100
Mailstop: CA-01-19-0250
Irvine, CA 92612
Attention: Rian Emmett
Facsimile No.: (216) 357-6708
Telephone No.: (949) 757-8942
E-mail: rian.w.emmett@key.com

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[Signature Page to Fifth Amended and Restated Credit Agreement]

EXHIBIT B

SCHEDULE I

Commitments of Lenders

Lenders	Commitment	Pro Rata
KeyBank, N.A.	$100,000,000.00	40.0%
Cadence Bank, N.A.	$20,000,000.00	8.0%
Huntington Bank	$30,000,000.00	12.0%
Manufacturers & Traders Trust Company	$30,000,000.00	12.0%
Fifth Third Bank, National Association	$70,000,000.00	28.0%
Total	**$250,000,000.00**	**100.00%**

Exhibit 31.1

CERTIFICATION
Pursuant to Section 302 of The Sarbanes-Oxley Act of 2002

I, David Gladstone, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Gladstone Investment Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2025

/s/ David Gladstone
David Gladstone
Chief Executive Officer and
Chairman of the Board of Directors

Exhibit 31.2

CERTIFICATION
Pursuant to Section 302 of The Sarbanes-Oxley Act of 2002

I, Taylor Ritchie, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Gladstone Investment Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2025

/s/ Taylor Ritchie
Taylor Ritchie
Chief Financial Officer and Treasurer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, the Chief Executive Officer and Chairman of the Board of Gladstone Investment Corporation (the "Company"), hereby certifies on the date hereof, pursuant to 18 U.S.C. §1350(a), as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q for the quarter ended December 31, 2024 ("Form 10-Q"), filed concurrently herewith by the Company, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 12, 2025

/s/ David Gladstone

David Gladstone
Chief Executive Officer and
Chairman of the Board of Directors

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, the Chief Financial Officer of Gladstone Investment Corporation (the "Company"), hereby certifies on the date hereof, pursuant to 18 U.S.C. §1350(a), as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q for the quarter ended December 31, 2024 ("Form 10-Q"), filed concurrently herewith by the Company, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 12, 2025

/s/ Taylor Ritchie

Taylor Ritchie
Chief Financial Officer and Treasurer