

**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 **March 31, 2023**

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: **814-00939**

MSC Income Fund, Inc.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of
incorporation or organization)

**1300 Post Oak Boulevard, 8th Floor
Houston, TX**

(Address of principal executive offices)

45-3999996

(I.R.S. Employer
Identification No.)

77056

(Zip Code)

(713) 350-6000

(Registrant's telephone number including area code)

n/a

(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	Name of Each Exchange on Which Registered
None	N/A	N/A

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 No

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 during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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 Accelerated filer Non-accelerated filer Smaller reporting company
Emerging growth company

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.

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

The number of shares outstanding of the issuer's common stock as of May 12, 2023 was 80,456,816.

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MSC INCOME FUND, INC.**Consolidated Balance Sheets****(in thousands, except shares and per share amounts)**

	March 31, 2023	December 31, 2022
	(Unaudited)	
ASSETS		
Investments at fair value:		
Control investments (cost: \$31,409 and \$31,120 as of March 31, 2023 and December 31, 2022, respectively)	\$ 49,906	\$ 50,303
Affiliate investments (cost: \$242,145 and \$241,565 as of March 31, 2023 and December 31, 2022, respectively)	270,841	277,000
Non-Control/Non-Affiliate investments (cost: \$789,422 and \$787,201 as of March 31, 2023 and December 31, 2022, respectively)	746,347	740,840
Total investments (cost: \$1,062,976 and \$1,059,886 as of March 31, 2023 and December 31, 2022, respectively)	1,067,094	1,068,143
Cash and cash equivalents	27,308	21,312
Interest and dividend receivable	12,666	11,917
Receivable for securities sold	265	464
Deferred financing costs (net of accumulated amortization of \$2,715 and \$2,413 as of March 31, 2023 and December 31, 2022, respectively)	2,607	2,908
Prepays and other assets	2,416	2,420
Total assets	<u>\$ 1,112,356</u>	<u>\$ 1,107,164</u>
LIABILITIES		
Credit Facilities	\$ 323,688	\$ 321,688
Series A Notes due 2026 (par: \$150,000 as of both March 31, 2023 and December 31, 2022)	148,931	148,856
Accounts payable and other liabilities	894	1,292
Interest payable	7,722	5,443
Dividend payable	14,026	12,816
Management and incentive fees payable	7,575	7,042
Deferred tax liability, net	1,221	362
Total liabilities	504,057	497,499
Commitments and contingencies (Note I)		
NET ASSETS		
Common stock, \$0.001 par value per share (450,000,000 shares authorized; 80,150,887 and 80,105,999 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively)	80	80
Additional paid-in capital	684,594	684,165
Total overdistributed earnings	(76,375)	(74,580)
Total net assets	608,299	609,665
Total liabilities and net assets	<u>\$ 1,112,356</u>	<u>\$ 1,107,164</u>
NET ASSET VALUE PER SHARE	<u>\$ 7.59</u>	<u>\$ 7.61</u>

The accompanying notes are an integral part of these consolidated financial statements

MSC INCOME FUND, INC.
Consolidated Statements of Operations
(in thousands, except shares and per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2023	2022
INVESTMENT INCOME:		
Interest, fee and dividend income:		
Control investments	\$ 809	\$ 1,001
Affiliate investments	7,894	5,206
Non-Control/Non-Affiliate investments	22,343	17,194
Total investment income	31,046	23,401
EXPENSES:		
Interest	(8,334)	(4,529)
Base management fees	(4,855)	(4,990)
Incentive fees	(2,720)	—
Internal administrative services expenses	(2,038)	(1,181)
General and administrative	(880)	(1,038)
Total expenses before expense waivers	(18,827)	(11,738)
Waiver of internal administrative services expenses	1,889	1,030
Total expenses, net of expense waivers	(16,938)	(10,708)
NET INVESTMENT INCOME	14,108	12,693
NET REALIZED GAIN (LOSS):		
Control investments	631	—
Affiliate investments	1,637	446
Non-Control/Non-Affiliate investments	1,164	(193)
Total net realized gain	3,432	253
NET UNREALIZED APPRECIATION (DEPRECIATION):		
Control investments	(686)	177
Affiliate investments	1,321	77
Non-Control/Non-Affiliate investments	(4,774)	3,477
Total net unrealized appreciation (depreciation)	(4,139)	3,731
INCOME TAXES:		
Federal and state income, excise and other taxes	(310)	(343)
Deferred taxes	(860)	(121)
Income tax provision	(1,170)	(464)
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$ 12,231	\$ 16,213
NET INVESTMENT INCOME PER SHARE—BASIC AND DILUTED	\$ 0.18	\$ 0.16
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS PER SHARE—BASIC AND DILUTED	\$ 0.15	\$ 0.20
WEIGHTED-AVERAGE SHARES OUTSTANDING—BASIC AND DILUTED	80,135,988	79,861,392

The accompanying notes are an integral part of these consolidated financial statements

MSC INCOME FUND, INC.

Consolidated Statements of Changes in Net Assets

(in thousands, except shares)

(Unaudited)

	Common Stock		Additional Paid-In Capital	Total Overdistributed Earnings	Total Net Asset Value
	Number of Shares	Par Value			
Balances at December 31, 2021	79,826,605	\$ 80	\$ 682,426	\$ (69,336)	\$ 613,170
Dividend reinvestment	533,062	—	4,212	—	4,212
Common stock repurchased	(489,031)	—	(3,790)	—	(3,790)
Net increase resulting from operations	—	—	—	16,213	16,213
Dividends to stockholders	—	—	—	(13,178)	(13,178)
Balances at March 31, 2022	<u>79,870,636</u>	<u>\$ 80</u>	<u>\$ 682,848</u>	<u>\$ (66,301)</u>	<u>\$ 616,627</u>
Balances at December 31, 2022	80,105,999	\$ 80	\$ 684,165	\$ (74,580)	\$ 609,665
Dividend reinvestment	564,377	1	4,413	—	4,414
Common stock repurchased	(519,489)	(1)	(3,984)	—	(3,985)
Net increase resulting from operations	—	—	—	12,231	12,231
Dividends to stockholders	—	—	—	(14,026)	(14,026)
Balances at March 31, 2023	<u>80,150,887</u>	<u>\$ 80</u>	<u>\$ 684,594</u>	<u>\$ (76,375)</u>	<u>\$ 608,299</u>

The accompanying notes are an integral part of these consolidated financial statements

MSC INCOME FUND, INC.
Consolidated Statements of Cash Flows

(in thousands)

(Unaudited)

	Three Months Ended March 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net increase in net assets resulting from operations	\$ 12,231	\$ 16,213
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Investments in portfolio companies	(24,971)	(53,859)
Proceeds from sales and repayments of debt investments in portfolio companies	23,663	73,498
Proceeds from sales and return of capital of equity investments in portfolio companies	6,290	—
Net unrealized (appreciation) depreciation	4,139	(3,731)
Net realized gain on the sale of portfolio investments	(3,432)	(253)
Amortization of deferred financing costs	376	325
Amortization of deferred offering costs	66	—
Accretion of unearned income	(2,711)	(1,337)
Payment-in-kind interest	(1,685)	(1,009)
Cumulative dividends	(45)	—
Deferred tax provision	860	121
Changes in other assets and liabilities:		
Interest and dividend receivable	(749)	2,566
Prepaid and other assets	4	320
Management and incentive fees payable	533	(198)
Interest payable	2,279	1,217
Accounts payable and other liabilities	(398)	(1,270)
Net cash provided by operating activities	16,450	32,603
CASH FLOWS FROM FINANCING ACTIVITIES		
Redemption of common stock	(3,984)	(3,790)
Payment of offering costs	(66)	—
Dividends paid	(8,404)	(7,762)
Proceeds from Credit Facilities	13,000	32,000
Repayments on Credit Facilities	(11,000)	(112,000)
Proceeds from Series A Notes due 2026	—	72,500
Payment of deferred financing costs	—	(122)
Net cash used in financing activities	(10,454)	(19,174)
Net increase in cash and cash equivalents	5,996	13,429
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	21,312	25,813
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 27,308</u>	<u>\$ 39,242</u>
Supplemental cash flow disclosures:		
Interest paid	\$ 5,680	\$ 2,988
Taxes paid	\$ 831	\$ 1,668
Non-cash financing activities:		
Dividends declared and unpaid	\$ 14,026	\$ 11,974
Value of shares issued pursuant to the DRIP	\$ 4,414	\$ 4,212

The accompanying notes are an integral part of these consolidated financial statements

MSC INCOME FUND, INC.
Consolidated Schedule of Investments
March 31, 2023
(dollars in thousands)
(Unaudited)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
Control Investments (5)											
Copper Trail Fund Investments	(12) (13) Investment Partnership	LP Interests (CTMH, LP)	(24) 07/17/2017	38.8%					\$	713	\$ 588
GRT Rubber Technologies LLC	Manufacturer of Engineered Rubber Products	Secured Debt	12/21/2018		10.66%	L+ 6.00%		12/21/2023	475	468	475
		Secured Debt	12/19/2014		12.66%	L+ 8.00%		10/29/2026	19,944	19,766	19,944
		Member Units	(8) 12/19/2014	2,896						6,435	21,890
										26,669	42,309
Harris Preston Fund Investments	(12) (13) Investment Partnership	LP Interests (2717 MH, L.P.)	(8) (24) 10/01/2017	49.3%						4,027	7,009
Subtotal Control Investments (8.2% of net assets at fair value)									\$	31,409	\$ 49,906
Affiliate Investments (6)											
AFG Capital Group, LLC	Provider of Rent-to-Own Financing Solutions and Services	Preferred Member Units	(8) 11/07/2014	46					\$	300	\$ 2,350
Analytical Systems Keco Holdings, LLC	Manufacturer of Liquid and Gas Analyzers	Secured Debt	(9) (39) 08/16/2019			L+ 10.00%		8/16/2024	—	(2)	(2)
		Secured Debt	(9) 08/16/2019		14.75%	L+ 10.00%		8/16/2024	1,149	1,122	1,122
		Preferred Member Units	08/16/2019	800	14.13%					800	—
		Preferred Member Units	05/20/2021	607						607	900
		Warrants	(27) 08/16/2019	105				8/16/2029		79	—
										2,606	2,020
Barfly Ventures, LLC	(10) Casual Restaurant Group	Member Units	10/26/2020	12						528	1,013
Batjer TopCo, LLC	HVAC Mechanical Contractor	Secured Debt	(39) 03/07/2022					3/7/2027	—	(1)	(1)
		Secured Debt	03/07/2022		11.00%			3/7/2027	1,175	1,157	1,157
		Preferred Stock	(8) 03/07/2022	453						455	680
										1,611	1,836

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
March 31, 2023
(dollars in thousands)
(Unaudited)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
Brewer Crane Holdings, LLC	Provider of Crane Rental and Operating Services	Secured Debt (9)	01/09/2018		14.66%	L+ 10.00%		1/9/2024	1,460	1,460	1,460
		Preferred Member Units (8)	01/09/2018	737						1,070	1,640
										2,530	3,100
Centre Technologies Holdings, LLC	Provider of IT Hardware Services and Software Solutions	Secured Debt (9) (39)	01/04/2019			L+ 9.00%		1/4/2026	—	—	—
		Secured Debt (9)	01/04/2019		13.75%	L+ 9.00%		1/4/2026	3,758	3,733	3,733
		Preferred Member Units	01/04/2019	3,327						1,531	2,320
										5,264	6,053
Chamberlin Holding LLC	Roofing and Waterproofing Specialty Contractor	Secured Debt (9) (25) (39)	02/26/2018			SF+ 6.00%		2/26/2026	—	—	—
		Secured Debt (9) (25)	02/26/2018		12.86%	SF+ 8.00%		2/26/2026	4,236	4,233	4,236
		Member Units (8)	02/26/2018	1,087						2,860	5,700
		Member Units (8) (23)	11/02/2018	261,786						443	708
								7,536	10,644		
Charps, LLC	Pipeline Maintenance and Construction	Preferred Member Units (8)	02/03/2017	457						491	3,390
Clad-Rex Steel, LLC	Specialty Manufacturer of Vinyl-Clad Metal	Secured Debt (9) (25)	12/20/2016		13.79%	SF+ 9.00%		1/15/2024	2,500	2,500	2,500
		Secured Debt	12/20/2016		10.00%			12/20/2036	260	258	258
		Member Units (8)	12/20/2016	179						1,820	1,790
		Member Units (23)	12/20/2016	200						53	207
								4,631	4,755		
Cody Pools, Inc.	Designer of Residential and Commercial Pools	Secured Debt (9)	03/06/2020		15.50%	L+ 10.50%		12/17/2026	196	184	196
		Secured Debt (9)	03/06/2020		15.50%	L+ 10.50%		12/17/2026	6,806	6,717	6,806
		Preferred Member Units (8) (23)	03/06/2020	147						2,079	14,790
										8,980	21,792
Colonial Electric Company LLC	Provider of Electrical Contracting Services	Secured Debt (39)	03/31/2021					3/31/2026	—	—	—
		Secured Debt	03/31/2021		12.00%			3/31/2026	5,749	5,659	5,659
		Preferred Member Units	03/31/2021	4,320						1,920	2,050
										7,579	7,709
Datacom, LLC	Technology and Telecommunications Provider										

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
March 31, 2023
(dollars in thousands)
(Unaudited)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	03/01/2022		7.50%			12/31/2025	50	50	50
		Secured Debt	03/31/2021		10.00%			12/31/2025	951	893	864
		Preferred Member Units (8)	03/31/2021	1,000						290	300
										1,233	1,214
Digital Products Holdings LLC	Designer and Distributor of Consumer Electronics	Secured Debt (9)	04/01/2018		14.75%	L+ 10.00%		4/1/2023	3,801	3,801	3,801
		Preferred Member Units (8)	04/01/2018	964						2,375	2,459
										6,176	6,260
Direct Marketing Solutions, Inc.	Provider of Omni-Channel Direct Marketing Services	Secured Debt (39)	02/13/2018					2/13/2026	—	(5)	—
		Secured Debt	12/27/2022		14.00%			2/13/2026	5,272	5,231	5,272
		Preferred Stock (8)	02/13/2018	2,100						2,100	5,430
										7,326	10,702
Flame King Holdings, LLC	Propane Tank and Accessories Distributor	Secured Debt (9)	10/29/2021		11.25%	L+ 6.50%		10/29/2026	1,900	1,886	1,900
		Secured Debt (9)	10/29/2021		13.75%	L+ 9.00%		10/29/2026	5,300	5,185	5,300
		Preferred Equity (8)	10/29/2021	2,340						2,600	5,300
										9,671	12,500
Freeport Financial Funds	(12) (13) Investment Partnership	LP Interests (Freeport First Lien Loan Fund III LP) (8) (24)	07/31/2015	6.0%						5,767	5,312
Gamber-Johnson Holdings, LLC	Manufacturer of Ruggedized Computer Mounting Systems	Secured Debt (9) (25) (36) (39)	06/24/2016			SF+ 8.50%		1/1/2028	—	—	—
		Secured Debt (9) (25) (36)	12/15/2022		11.50%	SF+ 8.50%		1/1/2028	15,820	15,564	15,820
		Member Units (8)	06/24/2016	2,261						4,423	14,840
										19,987	30,660
GFG Group, LLC.	Grower and Distributor of a Variety of Plants and Products to Other Wholesalers, Retailers and Garden Centers	Secured Debt	03/31/2021		9.00%			3/31/2026	2,836	2,783	2,836
		Preferred Member Units (8)	03/31/2021	56						1,225	1,900
										4,008	4,736
Gulf Publishing Holdings, LLC	Energy Industry Focused Media and Publishing	Secured Debt (9) (39)	09/29/2017			L+ 9.50%		7/1/2027	—	—	—
		Secured Debt	07/01/2022		12.50%			7/1/2027	600	600	571

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
March 31, 2023
(dollars in thousands)
(Unaudited)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Preferred Equity	07/01/2022	15,930						1,400	950
		Member Units	04/29/2016	920						920	—
										2,920	1,521
Harris Preston Fund Investments	(12) (13) Investment Partnership										
		LP Interests (HPEP 3, L.P.) (24)	08/09/2017	8.2%						2,050	3,936
Kickhaefer Manufacturing Company, LLC	Precision Metal Parts Manufacturing										
		Secured Debt	10/31/2018		12.00%			10/31/2026	5,150	5,127	5,146
		Secured Debt	10/31/2018		9.00%			10/31/2048	967	958	958
		Preferred Equity	10/31/2018	145						3,060	1,800
		Member Units (8) (23)	10/31/2018	200						248	695
										9,393	8,599
Market Force Information, LLC	Provider of Customer Experience Management Services										
		Secured Debt	07/28/2017		12.00%		12.00%	7/28/2023	6,520	6,463	—
		Member Units (14)	07/28/2017	185,980						4,160	—
										10,623	—
MH Corbin Holding LLC	Manufacturer and Distributor of Traffic Safety Products										
		Secured Debt (17)	08/31/2015		13.00%			12/31/2022	1,510	1,510	1,346
		Preferred Member Units	03/15/2019	16,500						1,100	—
		Preferred Member Units	09/01/2015	1,000						1,500	—
										4,110	1,346
Mystic Logistics Holdings, LLC	Logistics and Distribution Services Provider for Large Volume Mailers										
		Secured Debt (39)	08/18/2014					1/31/2024	—	—	—
		Secured Debt	08/18/2014		10.00%			1/31/2024	1,436	1,436	1,436
		Common Stock (8)	08/18/2014	1,468						680	6,253
										2,116	7,689
NexRev LLC	Provider of Energy Efficiency Products & Services										
		Secured Debt	02/28/2018					2/28/2025	—	—	—
		Secured Debt	02/28/2018		11.00%			2/28/2025	2,709	2,677	2,217
		Preferred Member Units (8)	02/28/2018	25,786,046						2,053	750
										4,730	2,967
NuStep, LLC	Designer, Manufacturer and Distributor of Fitness Equipment										
		Secured Debt (9)	01/31/2017		11.25%	L+ 6.50%		1/31/2025	1,100	1,098	1,100
		Secured Debt	01/31/2017		12.00%			1/31/2025	4,610	4,604	4,604

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
March 31, 2023
(dollars in thousands)
(Unaudited)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Preferred Member Units	01/31/2017	102						2,550	1,910
		Preferred Member Units	11/02/2022	515						515	1,290
										8,767	8,904
Oneliance, LLC	Construction Cleaning Company										
		Secured Debt (9)	08/06/2021		15.75%	L+ 11.00%		8/6/2026	1,380	1,361	1,361
		Preferred Stock	08/06/2021	264						264	264
										1,625	1,625
Orttech Holdings, LLC	Distributor of Industrial Clutches, Brakes and Other Components										
		Secured Debt (9) (39)	07/30/2021			L+ 11.00%		7/31/2026	—	(2)	(2)
		Secured Debt (9)	07/30/2021		15.75%	L+ 11.00%		7/31/2026	5,700	5,623	5,623
		Preferred Stock (8) (23)	07/30/2021	2,500						2,500	3,370
										8,121	8,991
Robbins Bros. Jewelry, Inc.	Bridal Jewelry Retailer										
		Secured Debt (39)	12/15/2021					12/15/2026	—	(7)	(7)
		Secured Debt	12/15/2021		12.50%			12/15/2026	3,940	3,882	3,882
		Preferred Equity	12/15/2021	1,230						1,230	1,100
										5,105	4,975
SI East, LLC	Rigid Industrial Packaging Manufacturing										
		Secured Debt	08/31/2018					8/31/2023	—	—	—
		Secured Debt	08/31/2018		9.50%			8/31/2023	28,179	28,100	28,179
		Preferred Member Units (8)	08/31/2018	52						406	4,550
										28,506	32,729
Sonic Systems International, LLC	(10) Nuclear Power Staffing Services										
		Secured Debt (9)	08/20/2021		12.26%	L+ 7.50%		8/20/2026	18,425	18,162	18,425
		Common Stock	08/20/2021	11,647						1,584	1,430
										19,746	19,855
Student Resource Center, LLC	(10) Higher Education Services										
		Secured Debt	12/31/2022		13.69%	L+ 8.50%		12/31/2027	5,556	5,063	5,063
		Preferred Equity	12/31/2022	6,564,055						—	—
										5,063	5,063
Tedder Industries, LLC	Manufacturer of Firearm Holsters and Accessories										
		Secured Debt	08/31/2018		12.00%			8/31/2023	460	460	460
		Secured Debt	08/31/2018		12.00%			8/31/2023	3,800	3,798	3,781
		Preferred Member Units	08/31/2018	136						2,311	1,718
		Preferred Member Units	02/01/2023	555						55	83
										6,624	6,042

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Trantech Radiator Topco, LLC	Transformer Cooling Products and Services	Secured Debt (39)	05/31/2019					5/31/2024	—	(3)	—
		Secured Debt	05/31/2019		12.00%			5/31/2024	1,980	1,964	1,980
		Common Stock (8)	05/31/2019	154						1,164	2,330
										3,125	4,310
Volusion, LLC	Provider of Online Software-as-a-Service eCommerce Solutions	Secured Debt	03/31/2023		10.00%			3/31/2025	900	900	900
		Preferred Member Units	01/26/2015	2,090,001						6,000	—
		Preferred Member Units	03/31/2023	61,077						4,906	4,906
		Preferred Member Units	03/31/2023	2,184,683						—	—
		Common Stock	03/31/2023	772,620						1,104	—
										12,910	5,806
VVS Holdeo LLC	Omnichannel Retailer of Animal Health Products	Secured Debt (9) (23) (39)	12/01/2021			L+ 6.00%		12/1/2023	—	(5)	(5)
		Secured Debt (23)	12/01/2021		11.50%			12/1/2026	7,600	7,432	7,432
		Preferred Equity (8) (23)	12/01/2021	2,960						2,960	3,010
										10,387	10,437
Subtotal Affiliate Investments (44.4% of net assets at fair value)									\$ 242,145	\$ 270,841	
Non-Control/Non-Affiliate Investments (7)											
AAC Holdings, Inc.	(11) Substance Abuse Treatment Service Provider	Secured Debt	01/31/2023		18.00%			6/25/2025	\$ 114	\$ 112	\$ 110
		Secured Debt	12/11/2020		18.00%		18.00%	6/25/2025	4,367	4,178	4,214
		Common Stock	12/11/2020	593,927						3,148	—
		Warrants (27)	12/11/2020	197,717				12/11/2025		—	—
										7,438	4,324
AB Centers Acquisition Corporation	(10) Applied Behavior Analysis Therapy Provider	Secured Debt (9)	09/06/2022		13.00%	P+ 5.00%		9/6/2028	43	39	43
		Secured Debt (9) (25) (28)	09/06/2022		10.80%	SF+ 6.00%		9/6/2028	259	251	258
		Secured Debt (9) (25)	09/06/2022		10.79%	SF+ 6.00%		9/6/2028	2,063	2,011	2,063
										2,301	2,364
Acumera, Inc.	(10) Managed Security Service Provider	Secured Debt (9)	06/28/2022		14.13%	L+ 9.50%		10/26/2027	4,616	4,517	4,616
		Secured Debt (9)	02/15/2023		14.13%	L+ 9.50%		10/26/2027	230	224	230
		Secured Debt (9)	06/28/2022		14.13%	L+ 9.50%		10/26/2027	1,379	1,350	1,379
		Warrants	02/15/2023	6,703				2/15/2028		—	—
										—	—

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Adams Publishing Group, LLC	(10) Local Newspaper Operator	Secured Debt	(9) (37) 03/11/2022		10.00%	L+ 6.50%		3/11/2027	894	894	857
		Secured Debt	(9) (38) 03/11/2022		10.00%	L+ 7.50%		3/11/2027	2,749	2,743	2,749
										3,637	3,606
ADS Tactical, Inc.	(11) Value-Added Logistics and Supply Chain Provider to the Defense Industry	Secured Debt	(9) 03/29/2021		10.59%	L+ 5.75%		3/19/2026	9,000	8,883	8,370
AMEREQUIP LLC.	(10) Full Service Provider of Comprehensive Commercial Production Services, Including the Design, Engineering, and Manufacturing of Products It	Secured Debt	(9) (25) (39) 08/31/2022			SF+ 7.40%		8/31/2027	—	—	—
		Secured Debt	(9) (25) 08/31/2022	11	12.10%	SF+ 7.40%		8/31/2027	2,021	2,021	2,021
		Common Stock	(8) 08/31/2022							83	90
									2,104	2,111	
American Health Staffing Group, Inc.	(10) Healthcare Temporary Staffing	Secured Debt	(9) (39) 11/19/2021			L+ 6.00%		11/19/2026	—	(12)	(12)
		Secured Debt	(9) 11/19/2021		11.12%	L+ 6.00%		11/19/2026	8,250	8,190	8,250
									8,178	8,238	
American Nuts, LLC	(10) Roaster, Mixer and Packager of Bulk Nuts and Seeds	Secured Debt	(9) (25) 03/11/2022		12.49%	SF+ 6.75%	1.00%	4/10/2026	4,228	4,199	3,624
		Secured Debt	(9) (25) 03/11/2022		14.49%	SF+ 8.75%	1.00%	4/10/2026	4,228	4,199	3,614
									8,398	7,238	
American Teleconferencing Services, Ltd.	(11) Provider of Audio Conferencing and Video Collaboration Solutions	Secured Debt	(14) 09/17/2021		7.50%	L+ 6.50%		4/7/2023	2,425	2,375	124
		Secured Debt	(9) (14) 05/19/2016		7.50%	L+ 6.50%		6/8/2023	11,693	11,451	599
									13,826	723	
ArborWorks, LLC	(10) Vegetation Management Services	Secured Debt	(9) (25) 11/09/2021		14.83%	SF+ 7.00%	3.00%	11/9/2026	2,484	2,431	2,001
		Secured Debt	(9) (25) 11/09/2021		14.83%	SF+ 7.00%	3.00%	11/9/2026	15,665	15,436	12,617
		Common Equity	11/09/2021	124						124	—
									17,991	14,618	
Archer Systems, LLC	(10) Mass Tort Settlement Administration Solutions Provider	Secured Debt	(9) (25) (39) 08/11/2022			SF+ 6.00%		8/11/2027	—	(4)	(4)
		Secured Debt	(9) (25) 08/11/2022		10.72%	SF+ 6.00%		8/11/2027	2,200	2,161	2,145

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		Common Stock	08/11/2022	62,402						62	80
										2,219	2,221
ATS Operating, LLC	(10) For-Profit Thrift Retailer										
		Secured Debt (9) (25)	01/18/2022		11.39%	SF+ 6.50%		1/18/2027	50	50	50
		Secured Debt (9) (25)	01/18/2022		10.09%	SF+ 5.50%		1/18/2027	925	908	914
		Secured Debt (9) (25)	01/18/2022		12.09%	SF+ 7.50%		1/18/2027	925	908	916
		Common Stock	01/18/2022	100,000						100	90
										1,966	1,970
AVEX Aviation Holdings, LLC	(10) Specialty Aircraft Dealer & MRO Provider										
		Secured Debt (9) (25)	12/23/2022		12.52%	SF+ 7.75%		12/23/2027	307	287	294
		Secured Debt (9) (25)	12/23/2022		12.61%	SF+ 7.75%		12/23/2027	4,028	3,874	3,862
		Common Equity	12/15/2021	137						134	140
										4,295	4,296
BBB Tank Services, LLC	(10) Maintenance, Repair and Construction Services to the Above-Ground Storage Tank Market										
		Unsecured Debt (9) (17)	04/08/2016		15.66%	L+ 11.00%		4/8/2021	200	200	200
		Unsecured Debt (9) (17)	04/08/2016		15.66%	L+ 11.00%		4/8/2021	1,000	1,000	522
		Member Units	04/08/2016	200,000						200	—
		Preferred Stock (non-voting)	12/17/2018		15.00%					41	—
										1,441	722
Berry Aviation, Inc.	(10) Charter Airline Services										
		Secured Debt	07/06/2018		12.00%		1.50%	1/6/2025	197	197	197
		Preferred Member Units (8) (23)	07/06/2018	1,548,387	8.00%		8.00%			1,184	5,544
		Preferred Member Units (8) (23) (39)	11/12/2019	122,416			16.00%			—	340
										1,381	6,081
Bettercloud, Inc.	(10) SaaS Provider of Workflow Management and Business Application Solutions										
		Secured Debt (9) (25) (39)	06/30/2022			SF+ 7.00%	6.00%	6/30/2028	—	(21)	(21)
		Secured Debt (9) (25)	06/30/2022		11.89%	SF+ 7.00%	6.00%	6/30/2028	8,111	7,975	8,111
										7,954	8,090
Binswanger Enterprises, LLC	(10) Glass Repair and Installation Service Provider										
		Member Units	03/10/2017	1,050,000						1,050	230
Bluestem Brands, Inc.	(11) Multi-Channel Retailer of General Merchandise										
		Secured Debt (9)	10/19/2022		15.50%	P+ 7.50%	14.50%	8/28/2025	1,299	1,299	1,221
		Secured Debt (9)	08/28/2020		13.07%	L+ 8.50%	12.07%	8/28/2025	3,549	2,626	3,336
		Common Stock (8)	10/01/2020	700,446						—	2,974
		Warrants (27)	10/19/2022	175,110				10/19/2032		1,111	739
										5,036	8,270

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Bocella Precast Products LLC	Manufacturer of Precast Hollow Core Concrete	Secured Debt	09/23/2021		10.00%			2/28/2027	80	80	80
		Member Units	06/30/2017	540,000						564	692
										644	772
Brightwood Capital Fund Investments	(12) (13) Investment Partnership	LP Interests (Brightwood Capital Fund III, LP)	(24) 07/21/2014	0.5%						2,449	1,529
		LP Interests (Brightwood Capital Fund IV, LP)	(8) (24) 10/26/2016	1.2%						8,737	9,328
											11,186
Buca C, LLC	Casual Restaurant Group	Secured Debt	06/30/2015		12.00%			6/30/2023	11,490	11,490	8,095
		Preferred Member Units	06/30/2015	4	6.00%		6.00%			3,040	—
										14,530	8,095
Burning Glass Intermediate Holding Company, Inc.	(10) Provider of Skills-Based Labor Market Analytics	Secured Debt	(9) 06/14/2021		9.83%	L+ 5.00%		6/10/2026	516	499	516
		Secured Debt	(9) 06/14/2021		9.63%	L+ 5.00%		6/10/2028	13,222	13,045	13,222
											13,544
Cadence Aerospace LLC	(10) Aerostructure Manufacturing	Secured Debt	(9) 11/14/2017		13.14%	L+ 6.50%	2.00%	11/14/2023	14,372	14,350	14,372
		Secured Debt	(9) 11/14/2017		13.14%	L+ 6.50%	2.00%	11/14/2023	4,464	4,457	4,464
		Secured Debt	(9) 11/14/2017		13.33%	L+ 6.50%	2.00%	11/14/2023	—	—	—
		Secured Debt	(9) 11/14/2017		13.23%	L+ 6.50%	2.00%	11/14/2023	—	—	—
		Secured Debt	(9) 11/14/2017		13.33%	L+ 6.50%	2.00%	11/14/2023	1,774	1,771	1,774
									20,578	20,610	
CAI Software LLC	Provider of Specialized Enterprise Resource Planning Software	Preferred Equity	12/13/2021	379,338						379	379
		Preferred Equity	12/13/2021	126,446						—	—
											379
Camin Cargo Control, Inc.	(11) Provider of Mission Critical Inspection, Testing and Fuel Treatment Services	Secured Debt	(9) (25) 06/14/2021		11.34%	SF+ 6.50%		6/4/2026	7,589	7,537	7,323
Career Team Holdings, LLC	Provider of Workforce Training and Career Development Services	Secured Debt	(9) (39) 12/17/2021			L+ 6.00%		12/17/2026	—	(3)	(3)
		Secured Debt	12/17/2021		12.50%			12/17/2026	2,250	2,200	2,200

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		Common Stock	12/17/2021	50,000						500	500
										2,697	2,697
CaseWorthy, Inc.	(10) SaaS Provider of Case Management Solutions										
		Secured Debt	(9) (39) 05/18/2022			L+ 6.00%		5/18/2027	—	(3)	(3)
		Secured Debt	(9) 05/18/2022		10.73%	L+ 6.00%		5/18/2027	2,600	2,575	2,576
		Secured Debt	(9) 05/18/2022		10.73%	L+ 6.00%		5/18/2027	1,995	1,978	1,995
		Common Equity	12/30/2022	80,000						80	80
										4,630	4,648
Channel Partners Intermediateco, LLC	(10) Outsourced Consumer Services Provider										
		Secured Debt	(9) (25) (29) 02/07/2022		11.06%	SF+ 6.25%		2/7/2027	172	163	168
		Secured Debt	(9) (25) (29) 02/07/2022		11.08%	SF+ 6.25%		2/7/2027	3,574	3,517	3,500
		Secured Debt	(9) (25) 03/27/2023		11.14%	SF+ 6.25%		2/7/2027	453	441	444
										4,121	4,112
Clarius BIGS, LLC	(10) Prints & Advertising Film Financing										
		Secured Debt	(14) (17) 09/23/2014		15.00%		15.00%	1/5/2015	2,747	2,402	26
Classic H&G Holdings, LLC	Provider of Engineered Packaging Solutions										
		Secured Debt	(9) 03/12/2020		10.88%	L+ 6.00%		3/12/2025	1,140	1,128	1,140
		Secured Debt	03/12/2020		8.00%			3/12/2025	4,819	4,757	4,819
		Preferred Member Units	(8) 03/12/2020	39						1,440	6,430
										7,325	12,389
Computer Data Source, LLC	(10) Third Party Maintenance Provider to the Data Center Ecosystem										
		Secured Debt	(9) (30) 08/06/2021		12.34%	L+ 7.50%		8/6/2026	4,167	4,110	3,799
		Secured Debt	(9) 08/06/2021		12.35%	L+ 7.50%		8/6/2026	15,547	15,334	14,176
										19,444	17,975
Construction Supply Investments, LLC	(10) Distribution Platform of Specialty Construction Materials to Professional Concrete and Masonry Contractors										
		Member Units	12/29/2016	861,618						3,335	23,650
Dalton US Inc.	(10) Provider of Supplemental Labor Services										
		Secured Debt	(9) (25) (31) 08/16/2022		12.33%	SF+ 7.50%		8/16/2027	232	216	226
		Secured Debt	(9) (25) (39) 08/16/2022			SF+ 7.50%		8/16/2027	—	(5)	(5)
		Secured Debt	(9) (25) 08/16/2022		12.26%	SF+ 7.50%		8/16/2027	1,032	1,014	1,006
		Common Stock	08/16/2022	14						14	14

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DMA Industries, LLC	Distributor of aftermarket ride control products									1,239	1,241
		Secured Debt	11/19/2021		12.00%			11/19/2026	5,300	5,222	5,300
		Preferred Equity	11/19/2021	1,486						1,486	1,820
										6,708	7,120
DTE Enterprises, LLC	(10) Industrial Powertrain Repair and Services										
		Secured Debt (9) (39)	04/13/2018			L+ 7.50%		6/30/2023	—	—	—
		Secured Debt (9)	04/13/2018		12.44%	L+ 7.50%		6/30/2023	5,634	5,632	5,634
		Class A Preferred Member Units	04/13/2018	776,316	8.00%		8.00%			776	380
		Class AA Preferred Member Units (non-voting) (8)	04/13/2018		10.00%		10.00%			1,190	1,190
										7,598	7,204
Dynamic Communities, LLC	(10) Developer of Business Events and Online Community Groups										
		Secured Debt (9) (25)	12/20/2022		9.18%	SF+ 4.50%	9.18%	12/31/2026	1,875	1,717	1,717
		Secured Debt (9) (25)	12/20/2022		11.18%	SF+ 6.50%	11.18%	12/31/2026	1,875	1,642	1,642
		Preferred Equity	12/20/2022	125,000						128	128
		Preferred Equity	12/20/2022	2,376,241						—	—
		Common Equity	12/20/2022	1,250,000						—	—
										3,487	3,487
Elgin AcquireCo, LLC	Manufacturer and Distributor of Engine and Chassis Components										
		Secured Debt (9) (25) (39)	10/03/2022			SF+ 6.00%		10/3/2027	—	(1)	(1)
		Secured Debt	10/03/2022		12.00%			10/3/2027	1,227	1,194	1,194
		Secured Debt	10/03/2022		9.00%			10/3/2052	415	411	411
		Common Stock	10/03/2022	25						497	497
		Common Stock (23)	10/03/2022	61						102	102
										2,203	2,203
Emerald Technologies Acquisition Co, Inc.	(11) Design & Manufacturing										
		Secured Debt (9) (25)	02/10/2022		10.97%	SF+ 6.25%		2/10/2028	2,438	2,397	2,316
Engineering Research & Consulting, LLC	(10) Provider of Engineering & Consulting Services to US Department of Defense										
		Secured Debt (9) (25)	05/23/2022		11.43%	SF+ 6.50%		5/23/2027	310	297	308
		Secured Debt (9) (25)	05/23/2022		11.43%	SF+ 6.50%		5/23/2028	5,147	5,062	5,109
										5,359	5,417
EPIC Y-Grade Services, LP	(11) NGL Transportation & Storage										

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		Secured Debt	(9)	06/22/2018		10.96%	L+ 6.00%	6/30/2027	6,805	6,746	5,963
Event Holdco, LLC	(10) Event and Learning Management Software for Healthcare Organizations and Systems	Secured Debt	(9) (23) (25)	12/22/2021		11.73%	SF+ 7.00%	12/22/2026	308	305	292
		Secured Debt	(9) (23) (25)	12/22/2021		11.73%	SF+ 7.00%	12/22/2026	3,692	3,665	3,504
										3,970	3,796
Flip Electronics LLC	(10) Distributor of Hard-to-Find and Obsolete Electronic Components	Secured Debt	(9) (25)	03/24/2022		12.55%	SF+ 7.50%	1/2/2026	1,091	1,091	1,091
		Secured Debt	(9) (25)	01/04/2021		12.55%	SF+ 7.50%	1/2/2026	12,327	12,078	12,327
										13,169	13,418
Hawk Ridge Systems, LLC	Value-Added Reseller of Engineering Design and Manufacturing Solutions	Secured Debt	(9)	12/02/2016		10.75%	L+ 6.00%	1/15/2026	1,000	998	1,000
		Secured Debt		12/02/2016		10.00%		1/15/2026	8,200	8,151	8,200
		Preferred Member Units	(8)	12/02/2016	56					713	4,370
		Preferred Member Units	(23)	12/02/2016	56					38	230
										9,900	13,800
HDC/HW Intermediate Holdings	(10) Managed Services and Hosting Provider	Secured Debt	(9) (25)	12/21/2018		14.34%	SF+ 9.50% 14.34%	12/21/2023	187	186	182
		Secured Debt	(9) (25)	12/21/2018		14.34%	SF+ 9.50% 14.34%	12/21/2023	1,845	1,839	1,798
										2,025	1,980
HEADLANDS OP-CO LLC	(10) Clinical Trial Sites Operator	Secured Debt	(9) (25) (39)	08/01/2022			SF+ 6.50%	8/1/2027	—	(17)	(17)
		Secured Debt	(9) (25) (39)	08/01/2022			SF+ 6.50%	8/1/2027	—	(17)	(17)
		Secured Debt	(9) (25)	08/01/2022		11.12%	SF+ 6.50%	8/1/2027	4,963	4,876	4,963
										4,842	4,929
Hybrid Promotions, LLC	(10) Wholesaler of Licensed, Branded and Private Label Apparel	Secured Debt	(9) (25)	06/30/2021		13.10%	SF+ 8.25%	6/30/2026	7,875	7,770	6,468
IG Parent Corporation	(11) Software Engineering	Secured Debt	(9) (25) (39)	07/30/2021			SF+ 5.75%	7/30/2026	—	(17)	—
		Secured Debt	(9) (25)	07/30/2021		10.59%	SF+ 5.75%	7/30/2028	8,275	8,175	8,187
										8,158	8,187
Implus Footcare, LLC	(10) Provider of Footwear and Related Accessories										

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9) (25) 06/01/2017		13.99%	SF+ 7.75%	1.50%	4/30/2024	16,966	16,960	15,438
Independent Pet Partners Intermediate Holdings, LLC	(10) Omnichannel Retailer of Specialty Pet Products	Secured Debt	(14) 12/10/2020		6.00%		6.00%	11/20/2023	10,902	10,443	3,556
		Secured Debt	11/28/2022		14.95%	SF+ 10.00%	14.95%	4/16/2023	1,418	1,385	1,373
		Secured Debt	02/13/2023		14.66%	SF+ 10.00%	14.66%	4/16/2023	1,476	1,456	1,430
		Preferred Stock (non-voting)	12/10/2020		6.00%		6.00%			2,470	—
		Preferred Stock (non-voting)	12/10/2020							—	—
		Member Units	11/20/2018	1,191,667						1,192	—
		Warrants	11/20/2018	185,757				11/19/2028		—	—
									16,946	—	6,359
Industrial Services Acquisition, LLC	(10) Industrial Cleaning Services	Secured Debt	(9) 08/13/2021		11.50%	L+ 6.75%		8/13/2026	543	520	543
		Secured Debt	(9) 08/13/2021		11.50%	L+ 6.75%		8/13/2026	11,523	11,388	11,523
		Preferred Member Units	(8) (23) 01/31/2018	336	10.00%		10.00%			306	343
		Preferred Member Units	(8) (23) 05/17/2019	187	20.00%		20.00%			221	223
		Member Units	(23) 06/17/2016	2,100						2,100	1,400
										14,535	14,032
Infinity X1 Holdings, LLC	Manufacturer and supplier of personal lighting products	Secured Debt	03/31/2023		13.00%			3/31/2028	4,500	4,411	4,411
		Preferred Equity	03/31/2023	20,000						1,000	1,000
										5,411	5,411
Infolinks Media Buyco, LLC	(10) Exclusive Placement Provider to the Advertising Ecosystem	Secured Debt	(9) (39) 11/01/2021			L+ 5.50%		11/1/2026	—	(45)	(45)
		Secured Debt	(9) 11/01/2021		10.23%	L+ 5.50%		11/1/2026	10,714	10,560	10,714
										10,515	10,669
Interface Security Systems, L.L.C.	(10) Commercial Security & Alarm Services	Secured Debt	12/09/2021		14.76%	L+ 10.00%		8/7/2023	1,835	1,835	1,781
		Secured Debt	(9) (14) 08/07/2019		11.63%	L+ 7.00%	11.63%	8/7/2023	7,334	7,254	1,085
		Common Stock	12/07/2021	2,143						—	—
										9,089	2,866
Intermedia Holdings, Inc.	(11) Unified Communications as a Service	Secured Debt	(9) 08/03/2018		10.84%	L+ 6.00%		7/19/2025	5,596	5,589	4,309
Invincible Boat Company, L.L.C.	(10) Manufacturer of Sport Fishing Boats										

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9) (32) 08/28/2019		11.32%	L+ 6.50%		8/28/2025	726	722	726
		Secured Debt	(9) 08/28/2019		11.23%	L+ 6.50%		8/28/2025	16,889	16,800	16,889
										17,522	17,615
INW Manufacturing, LLC	(11) Manufacturer of Nutrition and Wellness Products										
		Secured Debt	(9) 05/19/2021		10.48%	L+ 5.75%		3/25/2027	6,891	6,741	5,937
Iron-Main Investments, LLC	Consumer Reporting Agency Providing Employment Background Checks and Drug Testing										
		Secured Debt	08/02/2021		13.50%			1/31/2028	1,133	1,110	1,110
		Secured Debt	09/01/2021		13.50%			1/31/2028	788	772	772
		Secured Debt	11/15/2021		13.50%			1/31/2028	2,236	2,236	2,236
		Secured Debt	11/15/2021		13.50%			1/31/2028	4,928	4,820	4,820
		Secured Debt	01/31/2023		13.50%			1/31/2028	2,800	2,655	2,655
		Common Stock	08/03/2021	50,753						689	689
										12,282	12,282
Isagenix International, LLC	(11) Direct Marketer of Health & Wellness Products										
		Secured Debt	(9) (14) 06/21/2018		9.93%	L+ 7.75%		6/14/2025	5,053	5,031	1,718
Jackmont Hospitality, Inc.	(10) Franchisee of Casual Dining Restaurants										
		Secured Debt	(9) 10/26/2022		12.23%	L+ 7.50%		11/4/2024	975	945	975
		Secured Debt	(9) 11/08/2021		12.23%	L+ 7.50%		11/4/2024	4,074	4,074	4,074
		Preferred Equity	(8) 11/08/2021	5,653,333						216	990
										5,235	6,039
Joerns Healthcare, LLC	(11) Manufacturer and Distributor of Health Care Equipment & Supplies										
		Secured Debt	(25) 11/15/2021		23.04%	SF+ 18.00% 23.04%		1/31/2024	2,048	2,048	2,048
		Secured Debt	(14) (25) 08/21/2019		21.08%	SF+ 16.00% 21.08%		8/21/2024	3,351	3,325	233
		Common Stock	08/21/2019	392,514						3,678	—
										9,051	2,281
Johnson Downie Opeco, LLC	Executive Search Services										
		Secured Debt	(9) (39) 12/10/2021			L+ 11.50%		12/10/2026	—	(3)	—
		Secured Debt	(9) 12/10/2021		16.25%	L+ 11.50%		12/10/2026	1,111	1,095	1,111
		Preferred Equity	(8) 12/10/2021	350						350	730
										1,442	1,841
JorVet Holdings, LLC	Supplier and Distributor of Veterinary Equipment and Supplies										
		Secured Debt	03/28/2022		12.00%			3/28/2027	2,850	2,805	2,805

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Preferred Equity	(8) 03/28/2022	11,934						1,193	1,193
JTI Electrical & Mechanical, LLC	(10) Electrical, Mechanical and Automation Services									3,998	3,998
		Secured Debt	(9) (39) 12/22/2021		10.73%	L+ 6.00%		12/22/2026	—	(10)	(10)
		Secured Debt	(9) 12/22/2021			L+ 6.00%		12/22/2026	3,059	3,013	3,059
		Common Equity	12/22/2021	140,351						140	240
										3,143	3,289
KMS, LLC	(10) Wholesaler of Closeout and Value-priced Products										
		Secured Debt	(9) 10/04/2021		12.00%	L+ 7.25%		10/4/2026	1,316	1,242	1,234
		Secured Debt	(9) 10/04/2021		12.00%	L+ 7.25%		10/4/2026	9,358	9,224	8,763
										10,466	9,997
Lightbox Holdings, L.P.	(11) Provider of Commercial Real Estate Software										
		Secured Debt	05/09/2019		10.16%	L+ 5.00%		5/9/2026	5,810	5,772	5,607
LL Management, Inc.	(10) Medical Transportation Service Provider										
		Secured Debt	(9) (25) 05/02/2019		12.11%	SF+ 7.25%		9/25/2023	8,004	7,993	7,908
		Secured Debt	(9) (25) 05/02/2019		12.13%	SF+ 7.25%		9/25/2023	6,164	6,154	6,090
		Secured Debt	(9) (25) 05/12/2022		12.09%	SF+ 7.25%		9/25/2023	8,865	8,815	8,759
										22,962	22,757
LLFlex, LLC	(10) Provider of Metal-Based Laminates										
		Secured Debt	(9) 08/16/2021		13.75%	L+ 9.00%		8/16/2026	4,925	4,849	4,534
Logix Acquisition Company, LLC	(10) Competitive Local Exchange Carrier										
		Secured Debt	(9) 01/08/2018		10.59%	L+ 5.75%		12/22/2024	9,506	9,480	7,783
Mako Steel, LP	(10) Self-Storage Design & Construction										
		Secured Debt	(9) 03/15/2021		12.30%	L+ 7.25%		3/15/2026	2,028	1,980	2,009
		Secured Debt	(9) 03/15/2021		12.30%	L+ 7.25%		3/15/2026	16,983	16,776	16,823
										18,756	18,832
MB2 Dental Solutions, LLC	(11) Dental Partnership Organization										
		Secured Debt	(9) (25) 01/28/2021		10.72%	SF+ 6.00%		1/29/2027	9,259	9,122	9,259
		Secured Debt	(9) (25) 01/28/2021		10.72%	SF+ 6.00%		1/29/2027	7,856	7,768	7,856
										16,890	17,115
MetalForming AcquireCo, LLC	Distributor of Sheet Metal Folding and Metal Forming Equipment										
		Secured Debt	10/19/2022					10/19/2024	—	(1)	(1)

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		Secured Debt	10/19/2022		12.75%			10/19/2027	1,748	1,700	1,700
		Preferred Equity (8)	10/19/2022	434,331	8.00%		8.00%			450	450
		Common Stock (8)	10/19/2022	112,865						113	113
										2,262	2,262
Microbe Formulas, LLC	(10) Nutritional Supplements Provider										
		Secured Debt (9) (25) (39)	04/04/2022			SF+ 6.25%		4/3/2028	—	(7)	(7)
		Secured Debt (9) (25)	04/04/2022		11.09%	SF+ 6.25%		4/3/2028	3,099	3,046	2,995
										3,039	2,988
Mills Fleet Farm Group, LLC	(10) Omnichannel Retailer of Work, Farm and Lifestyle Merchandise										
		Secured Debt (9)	10/24/2018		11.08%	L+ 6.25%		10/24/2024	18,740	18,558	18,337
MonitorUS Holding, LLC	(10) (13) (21) SaaS Provider of Media Intelligence Services										
		Secured Debt (9)	05/24/2022		12.11%	L+ 7.00%		5/24/2027	556	538	538
		Secured Debt (9)	05/24/2022		11.73%	L+ 7.00%		5/24/2027	2,882	2,832	3,106
		Secured Debt (9)	05/24/2022		11.73%	L+ 7.00%		5/24/2027	4,906	4,825	4,906
		Common Stock	08/30/2022	12,798,820						256	256
										8,451	8,806
NinjaTrader, LLC	(10) Operator of Futures Trading Platform										
		Secured Debt (9) (39)	12/18/2019			L+ 6.25%		12/18/2024	—	(1)	—
		Secured Debt (9) (39)	12/18/2019			L+ 6.25%		12/18/2024	—	(20)	(20)
		Secured Debt (9)	12/18/2019		11.00%	L+ 6.25%		12/18/2024	11,634	11,538	11,634
										11,517	11,614
NTM Acquisition Corp.	(11) Provider of B2B Travel Information Content										
		Secured Debt (9) (25)	07/12/2016		13.30%	SF+ 7.25%	1.00%	6/7/2024	3,980	3,978	3,821
NWN Corporation	(10) Value Added Reseller and Provider of Managed Services to a Diverse Set of Industries										
		Secured Debt (9) (25) (34)	05/07/2021		12.85%	SF+ 8.00%		5/7/2026	1,977	1,930	1,857
		Secured Debt (9) (25)	05/07/2021		12.87%	SF+ 8.00%		5/7/2026	20,677	20,393	19,422
		Secured Debt	12/16/2022		20.00%		20.00%	8/6/2026	3,420	3,270	3,237
										25,593	24,516
OVG Business Services, LLC	(10) Venue Management Services										
		Secured Debt (9)	11/29/2021		10.89%	L+ 6.25%		11/19/2028	17,325	17,184	16,892
Paragon Healthcare, Inc.	(10) Infusion Therapy Treatment Provider										
		Secured Debt (9) (25)	01/19/2022		10.70%	SF+ 5.75%		1/19/2027	143	130	139

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		Secured Debt	(9) (25) 01/19/2022		10.78%	SF+ 5.75%		1/19/2027	426	415	416
		Secured Debt	(9) (25) 01/19/2022		10.48%	SF+ 5.75%		1/19/2027	2,475	2,421	2,415
										2,966	2,970
PTL US Bidco, Inc	(10) (13) Manufacturers of Equipment, Including Drilling Rigs and Equipment, and Providers of Supplies and Services to Companies Involved In the Drilling, Evaluation and Completion of Oil and Gas Wells.										
		Secured Debt	(9) 08/19/2022		14.25%	P+ 6.25%		8/19/2027	94	83	91
		Secured Debt	(9) (25) 08/19/2022		12.32%	SF+ 7.25%		8/19/2027	1,828	1,796	1,778
										1,879	1,869
RA Outdoors LLC	(10) Software Solutions Provider for Outdoor Activity Management										
		Secured Debt	(9) (25) 04/08/2021		11.47%	SF+ 6.75%		4/8/2026	370	361	334
		Secured Debt	(9) (25) 04/08/2021		11.63%	SF+ 6.75%		4/8/2026	12,917	12,799	11,644
										13,160	11,978
Research Now Group, Inc. and Survey Sampling International, LLC	(11) Provider of Outsourced Online Surveying										
		Secured Debt	(9) 12/29/2017		10.31%	L+ 5.50%		12/20/2024	9,768	9,768	7,492
RM Bidder, LLC	(10) Scripted and Unscripted TV and Digital Programming Provider										
		Member Units	11/12/2015	1,854						31	14
		Warrants	(26) 11/12/2015	218,601				10/20/2025		284	—
										315	14
Roof Opco, LLC	(10) Residential Re-Roofing/Repair										
		Secured Debt	(9) (25) (39) 08/27/2021			SF+ 6.50%		8/27/2026	—	(13)	—
		Secured Debt	(9) (25) 08/27/2021		11.35%	SF+ 6.50%		8/27/2026	2,917	2,841	2,875
		Secured Debt	(9) (25) 08/27/2021		11.35%	SF+ 6.50%		8/27/2026	3,967	3,910	3,910
										6,738	6,785
Rug Doctor, LLC.	(10) Carpet Cleaning Products and Machinery										
		Secured Debt	(9) (25) 07/16/2021		13.02%	SF+ 6.25% 2.00%		11/16/2024	6,250	6,217	5,751
		Secured Debt	(9) (25) 07/16/2021		13.02%	SF+ 6.25% 2.00%		11/16/2024	9,250	9,198	8,511
										15,415	14,262
Savers, Inc.	(11) For-Profit Thrift Retailer										
		Secured Debt	(9) (25) 05/14/2021		10.34%	SF+ 5.50%		4/26/2028	2,114	2,105	2,029
SIB Holdings, LLC	(10) Provider of Cost Reduction Services										
		Secured Debt	(9) 10/29/2021		11.21%	L+ 6.25%		10/29/2026	737	727	667
		Secured Debt	(9) 10/29/2021		11.21%	L+ 6.25%		10/29/2026	1,930	1,887	1,744
		Secured Debt	(9) 10/29/2021		11.21%	L+ 6.25%		10/29/2026	9,652	9,512	8,725

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		Common Equity	10/29/2021	119,048						250	121
										12,376	11,257
Slick Innovations, LLC	Text Message Marketing Platform	Secured Debt	09/13/2018		14.00%			12/22/2027	3,400	3,283	3,400
		Common Stock	09/13/2018	17,500						114	470
										3,397	3,870
South Coast Terminals Holdings, LLC	(10) Specialty Toll Chemical Manufacturer	Secured Debt	12/10/2021			L+ 5.25%		12/13/2026	—	(6)	(6)
		Secured Debt	12/10/2021		10.03%	L+ 5.25%		12/13/2026	3,514	3,461	3,514
		Common Equity	12/10/2021	60,606						61	92
										3,516	3,600
SPAU Holdings, LLC	(10) Digital Photo Product Provider	Secured Debt	07/01/2022			SF+ 7.50%		7/1/2027	—	(17)	(17)
		Secured Debt	07/01/2022		12.23%	SF+ 7.50%		7/1/2027	4,963	4,880	4,962
		Common Stock	07/01/2022	200,000						200	200
										5,063	5,145
Tex Tech Tennis, LLC	(10) Sporting Goods & Textiles	Preferred Equity	07/07/2021	1,000,000						1,000	1,980
The Affiliati Network, LLC	Performance Marketing Solutions	Secured Debt	08/09/2021					8/9/2026	—	(3)	(3)
		Secured Debt	08/09/2021		12.00%			8/9/2026	2,330	2,295	2,295
		Preferred Stock	08/09/2021	320,000						1,600	1,600
										3,892	3,892
U.S. TelePacific Corp.	(11) Provider of Communications and Managed Services	Secured Debt	05/17/2017		13.16%	SF+ 8.40%	7.25%	5/2/2026	13,669	13,608	3,588
USA DeBusk LLC	(10) Provider of Industrial Cleaning Services	Secured Debt	10/22/2019		10.38%	L+ 5.75%		9/8/2026	17,967	17,795	17,967
UserZoom Technologies, Inc.	(10) Provider of User Experience Research Automation Software	Secured Debt	01/11/2023		12.13%	SF+ 7.50%		4/5/2029	3,000	2,912	2,914
Vida Capital, Inc	(11) Alternative Asset Manager	Secured Debt	10/10/2019		10.63%	L+ 6.00%		10/1/2026	6,122	6,071	4,515

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Vistar Media, Inc.	(10) Operator of Digital Out-of-Home Advertising Platform	Preferred Stock	04/03/2019	70,207						767	2,340
VORTEQ Coil Finishers, LLC	(10) Specialty Coating of Aluminum and Light-Gauge Steel	Common Equity (8)	11/30/2021	769,231						769	2,910
Wall Street Prep, Inc.	(10) Financial Training Services	Secured Debt (9) (39)	07/19/2021			L+ 7.00%		7/19/2026	—	(7)	(7)
		Secured Debt (9)	07/19/2021		11.75%	L+ 7.00%		7/19/2026	5,294	5,223	5,188
		Common Stock	07/19/2021	500,000						500	530
										5,716	5,711
Watterson Brands, LLC	(10) Facility Management Services	Secured Debt (9) (35)	12/17/2021		11.07%	L+ 6.25%		12/17/2026	297	292	296
		Secured Debt (9)	12/17/2021		10.98%	L+ 6.00%		12/17/2026	53	46	53
		Secured Debt (9)	12/17/2021		10.98%	L+ 6.25%		12/17/2026	4,132	4,082	4,117
										4,420	4,466
West Star Aviation Acquisition, LLC	(10) Aircraft, Aircraft Engine and Engine Parts	Secured Debt (9) (25) (39)	03/01/2022			SF+ 6.00%		3/1/2028	—	(5)	(5)
		Secured Debt (9) (25)	03/01/2022		10.79%	SF+ 6.00%		3/1/2028	2,970	2,921	2,969
		Common Stock	03/01/2022	200,000						200	280
										3,116	3,244
Winter Services LLC	(10) Provider of Snow Removal and Ice Management Services	Secured Debt (9) (39)	11/19/2021			L+ 7.00%		11/19/2026	—	(40)	—
		Secured Debt (9) (39)	11/19/2021			L+ 7.00%		11/19/2026	—	(42)	(42)
		Secured Debt (9)	11/19/2021		11.75%	L+ 7.00%		11/19/2026	12,500	12,317	12,499
										12,235	12,457
World Micro Holdings, LLC	Supply Chain Management	Secured Debt	12/12/2022		13.00%			12/12/2027	1,970	1,932	1,932
		Preferred Equity	12/12/2022	530						530	530
										2,462	2,462
Xenon Arc, Inc.	(10) Tech-enabled Distribution Services to Chemicals and Food Ingredients Primary Producers	Secured Debt	12/17/2021		9.92%	L+ 5.25%		12/17/2026	62	53	62
		Secured Debt	12/17/2021		10.34%	L+ 5.25%		12/17/2027	1,197	1,168	1,186
		Secured Debt	12/17/2021		10.35%	L+ 5.25%		12/17/2027	2,370	2,334	2,349

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
March 31, 2023
(dollars in thousands)
(Unaudited)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
										3,555	3,597
YS Garments, LLC	(11) Designer and Provider of Branded Activewear	Secured Debt (9)	08/22/2018		14.50%	P+ 6.00%		8/9/2026	6,236	6,096	5,613
Zips Car Wash, LLC	(10) Express Car Wash Operator	Secured Debt (9) (25) (33)	02/11/2022		12.15%	SF+ 7.25%		3/1/2024	2,382	2,357	2,382
		Secured Debt (9) (25) (33)	02/11/2022		12.12%	SF+ 7.25%		3/1/2024	597	594	596
									2,951	2,978	
Subtotal Non-Control/Non-Affiliate Investments (122.4% of net assets at fair value)									\$ 789,422	\$ 746,347	
Total Portfolio Investments, March 31, 2023 (175.0% of net assets at fair value)									\$ 1,062,976	\$ 1,067,094	
Money market accounts and money market funds (included in cash and cash equivalents and restricted cash and cash equivalents) (16)											
First American Treasury Obligations Fund Class Z									\$ 10,910	\$ 10,910	
US Bank Money Market 5 (21)									7,505	7,505	
Total money market accounts and money market funds									\$ 18,415	\$ 18,415	

- (1) All investments are Lower Middle Market portfolio investments, unless otherwise noted. See Note C — Fair Value Hierarchy for Investments — Portfolio Composition for a description of Lower Middle Market portfolio investments. All of the Company’s investments, unless otherwise noted, are encumbered as security for one of the Company’s Credit Facilities.
- (2) Debt investments are income producing, unless otherwise noted by footnote (14), as described below. Equity and warrants are non-income producing, unless otherwise noted by footnote (8), as described below.
- (3) See Note C — Fair Value Hierarchy for Investments — Portfolio Composition and Schedule 12-14 for a summary of geographic location of portfolio companies.
- (4) Principal is net of repayments. Cost is net of repayments and accumulated unearned income. Negative cost is the result of the capitalized discount being greater than the principal amount outstanding on the loan.
- (5) Control investments are defined by the 1940 Act as investments in which more than 25% of the voting securities are owned or where the ability to nominate greater than 50% of the board representation is maintained.
- (6) Affiliate investments are defined by the 1940 Act as investments in which between 5% and 25% (inclusive) of the voting securities are owned and the investments are not classified as Control investments.
- (7) Non-Control/Non-Affiliate investments are defined by the 1940 Act as investments that are neither Control investments nor Affiliate investments.
- (8) Income producing through dividends or distributions.
- (9) Index based floating interest rate is subject to contractual minimum interest rate. As noted in this schedule, 93% of the loans (based on the par amount) contain LIBOR or Term SOFR (“SOFR”) floors which range between 0.75% and 2.00%, with a weighted-average floor of 1.05%.
- (10) Private Loan portfolio investment. See Note C—Fair Value Hierarchy for Investments—Portfolio Composition for a description of Private Loan portfolio investments.

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Consolidated Schedule of Investments (Continued)
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- (11) Middle Market portfolio investment. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for a description of Middle Market portfolio investments.
- (12) Other Portfolio investment. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for a description of Other Portfolio investments.
- (13) Investment is not a qualifying asset as defined under Section 55(a) of the 1940 Act. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets.
- (14) Non-accrual and non-income producing investment.
- (15) All of the Company’s portfolio investments are generally subject to restrictions on resale as “restricted securities.”
- (16) Short-term investments represent an investment in a fund that invests in highly liquid investments with average original maturity dates of three months or less. These short-term investments are included as Cash and cash equivalents on the Consolidated Balance Sheets.
- (17) Maturity date is under on-going negotiations with the portfolio company and other lenders, if applicable.
- (18) Investment fair value was determined using significant unobservable inputs, unless otherwise noted. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for further discussion. Negative fair value is the result of the capitalized discount on the loan or the unfunded commitment being valued below par.
- (19) Investments may have a portion, or all, of their income received from Paid-in-Kind (“PIK”) interest or dividends. PIK interest income and cumulative dividend income represent income not paid currently in cash. The difference between the Total Rate and PIK Rate represents the cash rate as of March 31, 2023.
- (20) All portfolio company headquarters are based in the United States, unless otherwise noted.
- (21) Effective yield as of March 31, 2023 was approximately 0.005% on the US Bank Money Market Account.
- (22) Investment date represents the date of initial investment in the security position.
- (23) Shares/Units represent ownership in a related Real Estate or HoldCo entity.
- (24) Investment is not unitized. Presentation is made in percent of fully diluted ownership unless otherwise indicated.
- (25) A majority of the variable rate loans in the Company’s investment portfolio bear interest at a rate that may be determined by reference to either LIBOR (“L”), SOFR (“SF”) or an alternate base rate (commonly based on the Federal Funds Rate or the Prime rate (“P”)), which typically resets every one, three, or six months at the borrower’s option. SOFR based contracts may include a credit spread adjustment (the “Adjustment”) that is charged in addition to the stated spread. The Adjustment is applied when the SOFR rate, plus the Adjustment, exceeds the stated floor rate, as applicable. As of March 31, 2023, SOFR based contracts in the portfolio had Adjustments ranging from 0.10% to 0.26%.
- (26) Warrants are presented in equivalent units with a strike price of \$14.28 per unit.
- (27) Warrants are presented in equivalent shares/units with a strike price of \$0.01 per share/unit.
- (28) As of March 31, 2023, borrowings under the loan facility bear interest at SOFR-6.00% (Floor 1.00%). Each new draw of funding on the delayed draw term loan facility has a different floating rate reset date. The rate presented represents a weighted-average rate for borrowings under the facility, as of March 31, 2023.
- (29) As of March 31, 2023, borrowings under the loan facility bear interest at SOFR-6.25% (Floor 1.00%). Each new draw or funding on the facility has a different floating rate reset date. The rate presented represents a weighted-average rate for borrowings under the facility, as of March 31, 2023.
- (30) As of March 31, 2023, borrowings under the loan facility bore interest at LIBOR-7.50% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of March 31, 2023.
- (31) As of March 31, 2023, borrowings under the loan facility bore interest at SOFR-7.50% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of March 31, 2023.

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- (32) As of March 31, 2023, borrowings under the loan facility bore interest at LIBOR-6.50% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of March 31, 2023.
- (33) As of March 31, 2023, borrowings under the loan facility bear interest at SOFR-7.25% (Floor 1.00%). Each new draw or funding on the facility has a different floating rate reset date. The rate presented represents a weighted-average rate for borrowings under the facility, as of March 31, 2023.
- (34) As of March 31, 2023, borrowings under the loan facility bore interest at SOFR-8.00% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of March 31, 2023.
- (35) As of March 31, 2023, borrowings under the loan facility bore interest at LIBOR-6.25% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of March 31, 2023.
- (36) Index based floating interest rate is subject to contractual maximum base rate of 3.00%.
- (37) Index based floating interest rate is subject to contractual maximum base rate of 3.50%.
- (38) Index based floating interest rate is subject to contractual maximum base rate of 2.50%.
- (39) The position is unfunded and no interest income is being earned as of March 31, 2023. The position may earn a nominal unused facility fee on committed amounts.

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
Control Investments (5)											
Copper Trail Fund Investments	(12) (13) Investment Partnership	LP Interests (CTMH, LP)	(24)	07/17/2017	39.0%					\$ 713	\$ 588
GRT Rubber Technologies LLC	Manufacturer of Engineered Rubber Products	Secured Debt		12/21/2018		10.12%	L+ 6.00%	12/21/2023	330	324	330
		Secured Debt		12/19/2014		12.12%	L+ 8.00%	10/29/2026	19,944	19,753	19,943
		Member Units	(8)	12/19/2014	2,896					6,435	21,890
										26,512	42,163
Harris Preston Fund Investments	(12) (13) Investment Partnership	LP Interests (2717 MH, L.P.)	(24)	10/01/2017	49.3%					3,895	7,552
Subtotal Control Investments (8.3% of net assets at fair value)										\$ 31,120	\$ 50,303
Affiliate Investments (6)											
AFG Capital Group, LLC	Provider of Rent-to-Own Financing Solutions and Services	Preferred Member Units	(8)	11/07/2014	46					\$ 300	\$ 2,350
Analytical Systems Keco Holdings, LLC	Manufacturer of Liquid and Gas Analyzers	Secured Debt	(9)	08/16/2019		L+ 10.00%		8/16/2024	—	(2)	(2)
		Secured Debt	(9)	08/16/2019		14.13%	L+ 10.00%	8/16/2024	1,166	1,135	1,135
		Preferred Member Units		08/16/2019	800	14.13%				800	—
		Preferred Member Units		05/20/2021	607					607	880
		Warrants	(27)	08/16/2019	105			8/16/2029		79	—
										2,619	2,013
ATX Networks Corp.	(11) Provider of Radio Frequency Management Equipment	Secured Debt	(9)	09/01/2021		12.23%	L+ 7.50%	9/1/2026	6,811	6,266	6,368
		Unsecured Debt		09/01/2021		10.00%		10.00%	9/1/2028	3,417	2,337
		Common Stock		09/01/2021	585					—	3,290
										8,603	12,272
Barfly Ventures, LLC	(10) Casual Restaurant Group	Member Units		10/26/2020	12					528	1,107
Batjer TopCo, LLC	HVAC Mechanical Contractor	Secured Debt		03/07/2022				3/31/2027	—	(1)	(1)
		Secured Debt		03/07/2022		11.00%		3/31/2027	1,225	1,205	1,205
		Preferred Stock	(8)	03/07/2022	453					455	455
										1,659	1,659
Brewer Crane Holdings, LLC	Provider of Crane Rental and Operating Services	Secured Debt	(9)	01/09/2018		14.12%	L+ 10.00%	1/9/2023	1,491	1,491	1,491
		Preferred Member Units	(8)	01/09/2018	737					1,070	1,770
										2,561	3,261

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
Centre Technologies Holdings, LLC	Provider of IT Hardware Services and Software Solutions	Secured Debt	(9) 01/04/2019			L+ 9.00%		1/4/2026	—	—	—
		Secured Debt	(9) 01/04/2019		13.13%	L+ 9.00%		1/4/2026	3,758	3,731	3,731
		Preferred Member Units	01/04/2019	3,327						1,531	2,170
									5,262	5,901	
Chamberlin Holding LLC	Roofing and Waterproofing Specialty Contractor	Secured Debt	(9) 02/26/2018			L+ 6.00%		2/26/2023	—	—	—
		Secured Debt	(9) 02/26/2018		12.13%	L+ 8.00%		2/26/2023	4,236	4,228	4,236
		Member Units	(8) 02/26/2018	1,087						2,860	5,728
		Member Units	(8) (23) 11/02/2018	261,786						443	678
									7,531	10,642	
Charps, LLC	Pipeline Maintenance and Construction	Preferred Member Units	(8) 02/03/2017	457						491	3,330
Clad-Rex Steel, LLC	Specialty Manufacturer of Vinyl-Clad Metal	Secured Debt	(9) 12/20/2016		13.23%	SF+ 9.00%		1/15/2024	2,620	2,620	2,620
		Secured Debt	12/20/2016		10.00%			12/20/2036	262	260	260
		Member Units	(8) 12/20/2016	179						1,820	2,060
		Member Units	(23) 12/20/2016	200						53	152
									4,753	5,092	
Cody Pools, Inc.	Designer of Residential and Commercial Pools	Secured Debt	(9) 03/06/2020		15.38%	L+ 10.50%		12/17/2026	273	261	273
		Secured Debt	(9) 03/06/2020		15.38%	L+ 10.50%		12/17/2026	6,882	6,786	6,882
		Preferred Member Units	(8) (23) 03/06/2020	147						2,079	14,550
									9,126	21,705	
Colonial Electric Company LLC	Provider of Electrical Contracting Services	Secured Debt	03/31/2021					3/31/2026	—	—	—
		Secured Debt	03/31/2021		12.00%			3/31/2026	5,828	5,729	5,729
		Preferred Member Units	(8) 03/31/2021	4,320						1,920	2,290
									7,649	8,019	
Datacom, LLC	Technology and Telecommunications Provider	Secured Debt	03/01/2022		7.50%			12/31/2025	25	25	25
		Secured Debt	03/31/2021		7.50%			12/31/2025	958	895	865
		Preferred Member Units	(8) 03/31/2021	1,000						290	300
									1,210	1,190	
Digital Products Holdings LLC	Designer and Distributor of Consumer Electronics	Secured Debt	(9) 04/01/2018		14.13%	L+ 10.00%		4/1/2023	3,883	3,878	3,878
		Preferred Member Units	(8) 04/01/2018	964						2,375	2,459
									6,253	6,337	
Direct Marketing Solutions, Inc.	Provider of Omni-Channel Direct Marketing Services	Secured Debt	(9) 02/13/2018			L+ 11.00%		2/13/2026	—	(5)	—
		Secured Debt	(9) 12/27/2022		15.13%	L+ 11.00%		2/13/2026	5,352	5,306	5,352

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Preferred Stock	(8)	02/13/2018	2,100					2,100	5,558
										7,401	10,910
Flame King Holdings, LLC	Propane Tank and Accessories Distributor	Secured Debt	(9)	10/29/2021		10.75%	L+ 6.50%	10/31/2026	1,900	1,885	1,900
		Secured Debt	(9)	10/29/2021		13.25%	L+ 9.00%	10/31/2026	5,300	5,175	5,300
		Preferred Equity	(8)	10/29/2021	2,340					2,600	4,400
										9,660	11,600
Freeport Financial Funds	(12) (13) Investment Partnership	LP Interests (Freeport First Lien Loan Fund III LP)	(8) (24)	07/31/2015	6.0%					6,303	5,848
Gamber-Johnson Holdings, LLC	Manufacturer of Ruggedized Computer Mounting Systems	Secured Debt	(9)	06/24/2016		SF+ 8.50%		1/1/2028	—	—	—
		Secured Debt	(9)	12/15/2022		11.50%	SF+ 8.50%	1/1/2028	16,020	15,747	16,020
		Member Units	(8)	06/24/2016	2,261					4,423	12,720
										20,170	28,740
GFG Group, LLC.	Grower and Distributor of a Variety of Plants and Products to Other Wholesalers, Retailers and Garden Centers	Secured Debt		03/31/2021		9.00%		3/31/2026	2,836	2,779	2,836
		Preferred Member Units	(8)	03/31/2021	56					1,225	1,790
										4,004	4,626
Gulf Publishing Holdings, LLC	Energy Industry Focused Media and Publishing	Secured Debt	(9)	09/29/2017			L+ 9.50%	7/1/2027	—	—	—
		Secured Debt		07/01/2022		12.50%		7/1/2027	600	600	571
		Preferred Equity		07/01/2022	15,930					1,400	950
		Member Units		04/29/2016	920					920	—
										2,920	1,521
Harris Preston Fund Investments	(12) (13) Investment Partnership	LP Interests (HPEP 3, L.P.)	(24)	08/09/2017	8.2%					2,558	4,331
Kickhaefer Manufacturing Company, LLC	Precision Metal Parts Manufacturing	Secured Debt		10/31/2018		11.50%		10/31/2023	5,104	5,075	5,093
		Secured Debt		10/31/2018		9.00%		10/31/2048	970	961	961
		Preferred Equity		10/31/2018	145					3,060	1,800
		Member Units	(8) (23)	10/31/2018	200					248	713
										9,344	8,567
Market Force Information, LLC	Provider of Customer Experience Management Services	Secured Debt	(14)	07/28/2017		12.00%	12.00%	7/28/2023	6,520	6,463	403
		Member Units		07/28/2017	185,980					4,160	—
										10,623	403
MH Corbin Holding LLC	Manufacturer and Distributor of Traffic Safety Products										

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	08/31/2015		13.00%			12/31/2022	1,539	1,539	1,137
		Preferred Member Units	03/15/2019	16,500						1,100	—
		Preferred Member Units	09/01/2015	1,000						1,500	—
										4,139	1,137
Mystic Logistics Holdings, LLC	Logistics and Distribution Services Provider for Large Volume Mailers										
		Secured Debt	08/18/2014					1/31/2024	—	—	—
		Secured Debt	08/18/2014		10.00%			1/31/2024	1,436	1,436	1,436
		Common Stock	(8) 08/18/2014	1,468						680	5,708
										2,116	7,144
NexRev LLC	Provider of Energy Efficiency Products & Services										
		Secured Debt	02/28/2018					2/28/2025	—	—	—
		Secured Debt	02/28/2018		11.00%			2/28/2025	2,866	2,828	2,119
		Preferred Member Units	(8) 02/28/2018	25,786,046						2,053	280
										4,881	2,399
NuStep, LLC	Designer, Manufacturer and Distributor of Fitness Equipment										
		Secured Debt	(9) 01/31/2017		10.63%	L+ 6.50%		1/31/2025	1,100	1,097	1,100
		Secured Debt	01/31/2017		12.00%			1/31/2025	4,610	4,603	4,603
		Preferred Member Units	01/31/2017	102						2,550	2,010
		Preferred Member Units	11/02/2022	515						515	1,290
										8,765	9,003
Oneliance, LLC	Construction Cleaning Company										
		Secured Debt	(9) 08/06/2021		15.13%	L+ 11.00%		8/6/2026	1,400	1,380	1,380
		Preferred Stock	08/06/2021	264						264	264
										1,644	1,644
Orttech Holdings, LLC	Distributor of Industrial Clutches, Brakes and Other Components										
		Secured Debt	(9) 07/30/2021			L+ 11.00%		7/31/2026	—	(2)	(2)
		Secured Debt	(9) 07/30/2021		15.13%	L+ 11.00%		7/31/2026	5,900	5,814	5,814
		Preferred Stock	(8) (23) 07/30/2021	2,500						2,500	2,940
										8,312	8,752
Robbins Bros. Jewelry, Inc.	Bridal Jewelry Retailer										
		Secured Debt	(9) 12/15/2021					12/15/2026	—	(8)	(8)
		Secured Debt	(9) 12/15/2021		12.50%			12/15/2026	3,965	3,902	3,902
		Preferred Equity	12/15/2021	1,230						1,230	1,650
										5,124	5,544
SI East, LLC	Rigid Industrial Packaging Manufacturing										
		Secured Debt	08/31/2018					8/31/2023	—	—	—
		Secured Debt	08/31/2018		9.50%			8/31/2023	29,929	29,795	29,929
		Preferred Member Units	(8) 08/31/2018	52						406	4,550
										30,201	34,479
Sonic Systems International, LLC	(10) Nuclear Power Staffing Services										
		Secured Debt	(9) 08/20/2021		11.24%	L+ 7.50%		8/20/2026	18,425	18,143	18,425
		Common Stock	08/20/2021	11,647						1,584	1,490
										19,727	19,915
Student Resource Center, LLC	(10) Higher Education Services										

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	12/31/2022		13.27%	L+	8.50%	12/31/2027	5,556	5,063	5,063
		Preferred Equity	12/31/2022	6,564,055						—	—
										5,063	5,063
Tedder Industries, LLC	Manufacturer of Firearm Holsters and Accessories										
		Secured Debt	08/31/2018		12.00%			8/31/2023	460	460	460
		Secured Debt	08/31/2018		12.00%			8/31/2023	3,800	3,797	3,780
		Preferred Member Units	08/31/2018	136						2,311	1,920
										6,568	6,160
Trantech Radiator Topco, LLC	Transformer Cooling Products and Services										
		Secured Debt	05/31/2019					5/31/2024	—	(3)	—
		Secured Debt	05/31/2019		12.00%			5/31/2024	1,980	1,960	1,980
		Common Stock	(8) 05/31/2019	154						1,164	1,950
										3,121	3,930
VVS Holdco LLC	Omnichannel Retailer of Animal Health Products										
		Secured Debt	(9) (23) 12/01/2021			L+	6.00%	12/1/2023	—	(5)	(5)
		Secured Debt	(23) 12/01/2021		11.50%			12/1/2026	7,600	7,421	7,421
		Preferred Equity	(8) (23) 12/01/2021	2,960						2,960	2,990
										10,376	10,406
										\$ 241,565	\$ 277,000
Subtotal Affiliate Investments (45.4% of net assets at fair value)											
Non-Control Investments (7)											
AAC Holdings, Inc.	(11) Substance Abuse Treatment Service Provider										
		Secured Debt	12/11/2020		18.00%		18.00%	6/25/2025	\$ 4,173	\$ 3,963	\$ 4,110
		Common Stock	12/11/2020	593,927						3,148	—
		Warrants	(27) 12/11/2020	197,717				12/11/2025		—	—
										7,111	4,110
AB Centers Acquisition Corporation	(10) Applied Behavior Analysis Therapy Provider										
		Secured Debt	(9) 09/06/2022			SF+	6.00%	9/6/2028	—	(5)	(5)
		Secured Debt	(9) 09/06/2022		10.20%	SF+	6.00%	9/6/2028	86	77	86
		Secured Debt	(9) 09/06/2022		10.58%	SF+	6.00%	9/6/2028	1,983	1,930	1,983
										2,002	2,064
Acumera, Inc.	(10) Managed Security Service Provider										
		Secured Debt	(9) 06/28/2022		13.88%	L+	9.50%	10/26/2027	4,616	4,511	4,616
		Secured Debt	(9) 06/28/2022		13.57%	L+	9.00%	10/26/2027	1,379	1,348	1,379
										5,859	5,995
Adams Publishing Group, LLC	(10) Local Newspaper Operator										
		Secured Debt	(9) (28) 03/11/2022		10.00%	L+	6.00%	3/11/2027	565	565	565
		Secured Debt	(9) (28) 03/11/2022		10.00%	L+	7.50%	3/11/2027	2,826	2,819	2,826
										3,384	3,391
ADS Tactical, Inc.	(11) Value-Added Logistics and Supply Chain Provider to the Defense Industry										
		Secured Debt	(9) 03/29/2021		10.14%	L+	5.75%	3/19/2026	9,125	8,996	8,213
AMEREQUIP LLC.	(10) Full Service Provider of Comprehensive Commercial Production Services, Including the Design, Engineering, and Manufacturing of Products it										

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(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9) 08/31/2022		11.72%	SF+ 7.40%		8/31/2027	—	—	—
		Secured Debt	(9) 08/31/2022			SF+ 7.40%		8/31/2027	2,026	2,026	2,025
		Common Stock	08/31/2022	11						80	80
										2,106	2,105
American Health Staffing Group, Inc.	(10) Healthcare Temporary Staffing										
		Secured Debt	(9) 11/19/2021			L+ 6.00%		11/19/2026	—	(13)	(13)
		Secured Debt	(9) 11/19/2021		11.12%	L+ 6.00%		11/19/2026	8,271	8,206	8,271
										8,193	8,258
American Nuts, LLC	(10) Roaster, Mixer and Packager of Bulk Nuts and Seeds										
		Secured Debt	(9) 03/11/2022		10.46%	SF+ 6.75%		4/10/2026	4,438	4,416	4,148
		Secured Debt	(9) 03/11/2022		12.46%	SF+ 8.75%		4/10/2026	4,438	4,417	4,161
										8,833	8,309
American Teleconferencing Services, Ltd.	(11) Provider of Audio Conferencing and Video Collaboration Solutions										
		Secured Debt	(14) 09/17/2021		7.50%	L+ 6.50%		1/31/2023	2,425	2,375	136
		Secured Debt	(9) (14) 05/19/2016		7.50%	L+ 6.50%		6/8/2023	11,693	11,451	658
										13,826	794
ArborWorks, LLC	(10) Vegetation Management Services										
		Secured Debt	(9) 11/09/2021		13.41%	L+ 9.00%		11/9/2026	2,484	2,427	2,095
		Secured Debt	(9) 11/09/2021		13.56%	L+ 9.00%		11/9/2026	15,786	15,540	13,313
		Common Equity	11/09/2021	124						124	—
										18,091	15,408
Archer Systems, LLC	(10) Mass Tort Settlement Administration Solutions Provider										
		Secured Debt	(9) 08/11/2022			SF+ 6.50%		8/11/2027	—	(4)	(4)
		Secured Debt	(9) 08/11/2022		10.92%	SF+ 6.50%		8/11/2027	2,205	2,165	2,170
		Common Stock	08/11/2022	62,402						62	62
										2,223	2,228
ATS Operating, LLC	(10) For-Profit Thrift Retailer										
		Secured Debt	(9) 01/18/2022			SF+ 5.50%		1/18/2027	—	—	—
		Secured Debt	(9) 01/18/2022		9.32%	SF+ 5.50%		1/18/2027	925	907	914
		Secured Debt	(9) 01/18/2022		11.32%	SF+ 7.50%		1/18/2027	925	907	916
		Common Stock	01/18/2022	100,000						100	90
										1,914	1,920
AVEX Aviation Holdings, LLC	(10) Specialty Aircraft Dealer										
		Secured Debt	(9) 12/23/2022			SF+ 7.25%		12/23/2027	—	(8)	(8)
		Secured Debt	(9) 12/23/2022		12.17%	SF+ 7.25%		12/23/2027	4,038	3,876	3,876
		Common Equity	12/15/2021	50						50	56
										3,918	3,924
BBB Tank Services, LLC	Maintenance, Repair and Construction Services to the Above-Ground Storage Tank Market										
		Unsecured Debt	(9) (17) 04/08/2016		15.12%	L+ 11.00%		4/8/2021	200	200	200
		Unsecured Debt	(9) (17) 04/08/2016		15.12%	L+ 11.00%		4/8/2021	1,000	1,000	522
		Preferred Stock (non-voting)	12/17/2018		15.00%					41	—
		Member Units	04/08/2016	200,000						200	—
										1,441	722
Berry Aviation, Inc.	(10) Charter Airline Services										

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	07/06/2018		12.00%		1.50%	1/6/2024	190	189	190
		Preferred Member Units	(8) (23) 07/06/2018	1,548,387	8.00%		8.00%			1,161	4,561
		Preferred Member Units	(8) (23) 11/12/2019	122,416			16.00%			—	270
										1,350	5,021
Bettercloud, Inc.	(10) SaaS Provider of Workflow Management and Business Application Solutions										
		Secured Debt	(9) 06/30/2022			SF+ 1.00%	6.00%	6/30/2028	—	(22)	(22)
		Secured Debt	(9) 06/30/2022		11.40%	SF+ 1.00%	6.00%	6/30/2028	7,991	7,848	7,991
										7,826	7,969
Binswanger Enterprises, LLC	(10) Glass Repair and Installation Service Provider										
		Member Units	03/10/2017	1,050,000						1,050	420
Bluestem Brands, Inc.	(11) Multi-Channel Retailer of General Merchandise										
		Secured Debt	(9) 10/19/2022			L+ 8.50%		8/28/2025	—	—	—
		Secured Debt	(9) 08/28/2020		12.94%	L+ 8.50%		8/28/2025	3,473	2,455	3,366
		Common Stock	(8) 10/01/2020	700,446						—	4,708
		Warrants	(27) 10/19/2022	175,110				10/19/2032		1,111	1,173
										3,566	9,247
Boccella Precast Products LLC	Manufacturer of Precast Hollow Core Concrete										
		Secured Debt	09/23/2021		10.00%			2/28/2027	80	80	80
		Member Units	(8) 06/30/2017	540,000						564	741
										644	821
Brightwood Capital Fund Investments	(12) (13) Investment Partnership										
		LP Interests (Brightwood Capital Fund III, LP)	(8) (24) 07/21/2014	0.5%						2,449	1,576
		LP Interests (Brightwood Capital Fund IV, LP)	(8) (24) 10/26/2016	1.2%						8,737	9,082
										11,186	10,658
Buca C, LLC	Casual Restaurant Group										
		Secured Debt	06/30/2015		9.00%			6/30/2023	11,740	11,740	8,345
		Preferred Member Units	06/30/2015	4	6.00%		6.00%			3,040	—
										14,780	8,345
Burning Glass Intermediate Holding Company, Inc.	(10) Provider of Skills-Based Labor Market Analytics										
		Secured Debt	(9) 06/14/2021			L+ 5.00%		6/10/2026	—	(19)	—
		Secured Debt	(9) 06/14/2021		8.91%	L+ 5.00%		6/10/2028	13,255	13,070	13,255
										13,051	13,255
Cadence Aerospace LLC	(10) Aerostructure Manufacturing										
		Secured Debt	(9) (30) 11/14/2017		11.99%	L+ 8.50%	0.01%	11/14/2023	20,112	20,066	20,112
CAI Software LLC	Provider of Specialized Enterprise Resource Planning Software										
		Preferred Equity	(8) 12/13/2021	379,338						379	379
		Preferred Equity	12/13/2021	126,446						—	—

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
Camin Cargo Control, Inc.	(11) Provider of Mission Critical Inspection, Testing and Fuel Treatment Services	Secured Debt	(9) 06/14/2021		10.88%	L+ 6.50%		6/4/2026	7,609	7,553	7,342
Career Team Holdings, LLC	Provider of Workforce Training and Career Development Services	Secured Debt	(9) 12/17/2021		12.50%	L+ 6.00%		12/17/2026	—	(3)	(3)
		Secured Debt	(9) 12/17/2021					12/17/2026	2,250	2,196	2,196
		Common Stock	12/17/2021	50,000						500	500
										2,693	2,693
CaseWorthy, Inc.	(10) SaaS Provider of Case Management Solutions	Secured Debt	(9) 05/18/2022			L+ 6.00%		5/18/2027	—	(4)	(4)
		Secured Debt	(9) 05/18/2022		10.73%	L+ 6.00%		5/18/2027	2,600	2,574	2,574
		Secured Debt	(9) 05/18/2022		10.48%	L+ 5.75%		5/18/2027	1,995	1,977	1,995
		Common Equity	12/30/2022	80,000						80	80
										4,627	4,645
Channel Partners Intermediateco, LLC	(10) Outsourced Consumer Services Provider	Secured Debt	(9) (34) 02/07/2022		10.72%	SF+ 6.25%		2/7/2027	172	162	169
		Secured Debt	(9) (35) 02/07/2022		10.71%	SF+ 6.25%		2/7/2027	3,591	3,530	3,539
										3,692	3,708
Clarius BIGS, LLC	(10) Prints & Advertising Film Financing	Secured Debt	(14) (17) 09/23/2014		15.00%		15.00%	1/5/2015	2,747	2,403	19
Classic H&G Holdings, LLC	Provider of Engineered Packaging Solutions	Secured Debt	(9) 03/12/2020		9.75%	L+ 6.00%		3/12/2025	1,140	1,127	1,140
		Secured Debt	(9) 03/12/2020		8.00%			3/12/2025	4,819	4,754	4,819
		Preferred Member Units	(8) 03/12/2020	39						1,440	6,160
										7,321	12,119
Computer Data Source, LLC	(10) Third Party Maintenance Provider to the Data Center Ecosystem	Secured Debt	(9) (36) 08/06/2021		12.56%	L+ 8.00%		8/6/2026	4,167	4,106	3,851
		Secured Debt	(9) 08/06/2021		12.56%	L+ 8.00%		8/6/2026	15,604	15,374	14,421
										19,480	18,272
Construction Supply Investments, LLC	(10) Distribution Platform of Specialty Construction Materials to Professional Concrete and Masonry Contractors	Member Units	(8) 12/29/2016	861,618						3,335	21,165
Dalton US Inc.	(10) Provider of Supplemental Labor Services	Secured Debt	(9) 08/16/2022		11.90%	SF+ 8.00%		8/16/2027	79	63	78
		Secured Debt	(9) 08/16/2022			SF+ 8.00%		8/16/2027	—	(5)	(5)
		Secured Debt	(9) 08/16/2022		12.56%	SF+ 8.00%		8/16/2027	1,035	1,016	1,020
		Common Stock	08/16/2022	14						14	14
										1,088	1,107
DMA Industries, LLC	Distributor of aftermarket ride control products										

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	11/19/2021		12.00%			11/19/2026	5,300	5,217	5,300
		Preferred Equity	11/19/2021	1,486						1,486	1,820
										6,703	7,120
DTE Enterprises, LLC	(10) Industrial Powertrain Repair and Services										
		Secured Debt	(9) 04/13/2018			L+ 7.50%		4/13/2023	—	(1)	(1)
		Secured Debt	(9) 04/13/2018		12.24%	L+ 7.50%		4/13/2023	6,119	6,110	5,978
		Class A Preferred Member Units		776,316	8.00%		8.00%			776	380
		Class AA Preferred Member Units (non-voting)	(8) 04/13/2018		10.00%		10.00%			1,161	1,161
										8,046	7,518
Dynamic Communities, LLC	(10) Developer of Business Events and Online Community Groups										
		Secured Debt	(9) 12/20/2022		9.18%	SF+ 4.50%	9.18%	12/31/2026	1,875	1,717	1,717
		Secured Debt	(9) 12/20/2022		11.18%	SF+ 6.50%	11.18%	12/31/2026	1,875	1,642	1,642
		Preferred Equity		125,000						128	128
		Preferred Equity		2,376,241						—	—
		Common Equity		1,250,000						—	—
										3,487	3,487
Elgin AcquireCo, LLC	Manufacturer and Distributor of Engine and Chassis Components										
		Secured Debt	(9) 10/03/2022			SF+ 6.00%		10/3/2027	—	(1)	(1)
		Secured Debt			12.00%			10/3/2027	1,227	1,192	1,192
		Secured Debt			9.00%			10/3/2052	415	411	411
		Common Stock		25						497	497
		Common Stock	(23) 10/03/2022	61						102	102
										2,201	2,201
Emerald Technologies Acquisition Co, Inc.	(11) Design & Manufacturing										
		Secured Debt	(9) 02/10/2022		10.67%	SF+ 6.25%		2/10/2028	2,453	2,411	2,328
Engineering Research & Consulting, LLC	(10) Provider of Engineering & Consulting Services to US Department of Defense										
		Secured Debt	(9) 05/23/2022		11.68%	SF+ 6.50%		5/23/2027	41	27	41
		Secured Debt	(9) 05/23/2022		10.92%	SF+ 6.50%		5/23/2028	5,159	5,070	5,159
										5,097	5,200
EPIC Y-Grade Services, LP	(11) NGL Transportation & Storage										
		Secured Debt	(9) 06/22/2018		10.70%	L+ 6.00%		6/30/2027	6,840	6,777	6,156
Event Holdeo, LLC	(10) Event and Learning Management Software for Healthcare Organizations and Systems										
		Secured Debt	(9) (23) 12/22/2021		10.67%	L+ 7.00%		12/22/2026	308	305	292
		Secured Debt	(9) (23) 12/22/2021		10.67%	L+ 7.00%		12/22/2026	3,692	3,663	3,507
										3,968	3,799
Flip Electronics LLC	(10) Distributor of Hard-to-Find and Obsolete Electronic Components										
		Secured Debt	(9) 03/24/2022		11.21%	SF+ 7.50%		1/2/2026	818	818	818
		Secured Debt	(9) 01/04/2021		12.19%	SF+ 7.50%		1/2/2026	12,327	12,055	12,327
										12,873	13,145

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)	
Hawk Ridge Systems, LLC	Value-Added Reseller of Engineering Design and Manufacturing Solutions	Secured Debt	(9)	12/02/2016		10.13%	L+ 6.00%	1/15/2026	796	796	796	
		Secured Debt		12/02/2016		9.00%		1/15/2026	8,200	8,147	8,200	
		Preferred Member Units	(8)	12/02/2016	56						713	4,370
		Preferred Member Units	(23)	12/02/2016	56						38	230
											9,694	13,596
HDC/HW Intermediate Holdings	(10) Managed Services and Hosting Provider	Secured Debt	(9)	12/21/2018		14.34%	SF+ 9.50% 2.00%	12/21/2023	180	179	175	
		Secured Debt	(9)	12/21/2018		14.34%	SF+ 9.50% 2.00%	12/21/2023	1,780	1,772	1,731	
										1,951	1,906	
HEADLANDS OP-CO LLC	(10) Clinical Trial Sites Operator	Secured Debt	(9)	08/01/2022			SF+ 6.50%	8/1/2027	—	(18)	(18)	
		Secured Debt	(9)	08/01/2022			SF+ 6.50%	8/1/2027	—	(18)	(18)	
		Secured Debt	(9)	08/01/2022		10.62%	SF+ 6.50%	8/1/2027	4,975	4,884	4,975	
										4,848	4,939	
Hybrid Promotions, LLC	(10) Wholesaler of Licensed, Branded and Private Label Apparel	Secured Debt		06/30/2021		12.07%	SF+ 8.25%	6/30/2026	7,875	7,762	6,826	
IG Parent Corporation	(11) Software Engineering	Secured Debt	(9) (37)	07/30/2021		10.17%	SF+ 5.75%	7/30/2026	465	447	465	
		Secured Debt	(9)	07/30/2021		10.17%	SF+ 5.75%	7/30/2028	8,291	8,186	8,291	
										8,633	8,756	
Implus Footcare, LLC	(10) Provider of Footwear and Related Accessories	Secured Debt	(9)	06/01/2017		13.98%	L+ 7.75% 1.50%	4/30/2024	16,921	16,914	15,961	
Independent Pet Partners Intermediate Holdings, LLC	(10) Omnichannel Retailer of Specialty Pet Products	Secured Debt	(14)	12/10/2020		6.00%		6.00%	11/20/2023	10,902	10,443	4,515
		Secured Debt		11/28/2022		14.42%	SF+ 10.00%	14.42%	2/27/2023	481	459	459
		Preferred Stock (non-voting)		12/10/2020		6.00%		6.00%			2,470	—
		Preferred Stock (non-voting)		12/10/2020							—	—
		Member Units		11/20/2018	1,191,667						1,192	—
		Warrants		11/20/2018	185,757				11/19/2028		—	—
									14,564	4,974		
Industrial Services Acquisition, LLC	(10) Industrial Cleaning Services	Secured Debt	(9)	08/13/2021		11.50%	L+ 6.75%	8/13/2026	387	359	387	
		Secured Debt	(9)	08/13/2021		11.50%	L+ 6.75%	8/13/2026	10,871	10,738	10,871	
		Preferred Member Units	(8) (23)	01/31/2018	336	10.00%		10.00%			301	338
		Preferred Member Units	(8) (23)	05/17/2019	187	20.00%		20.00%			215	217
		Member Units	(23)	06/17/2016	2,100						2,100	1,400
									13,713	13,213		
Infolinks Media Buyco, LLC	(10) Exclusive Placement Provider to the Advertising Ecosystem	Secured Debt	(9)	11/01/2021			L+ 5.50%	11/1/2026	—	(48)	(48)	

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		Secured Debt	(9)	11/01/2021	10.23%	L+	5.50%	11/1/2026	10,742	10,576	10,742	
										10,528	10,694	
Interface Security Systems, L.L.C.	(10) Commercial Security & Alarm Services	Secured Debt	(38)	12/09/2021	14.22%	L+	10.00%	8/7/2023	1,682	1,682	1,682	
		Secured Debt	(9) (14)	08/07/2019	12.07%	L+	7.00%	1.00%	8/7/2023	7,334	7,254	1,085
		Common Stock		12/07/2021						—	—	
				2,143						8,936	2,767	
Intermedia Holdings, Inc.	(11) Unified Communications as a Service	Secured Debt	(9)	08/03/2018	10.38%	L+	6.00%	7/19/2025	5,621	5,613	4,342	
Invincible Boat Company, L.L.C.	(10) Manufacturer of Sport Fishing Boats	Secured Debt	(9)	08/28/2019	10.14%	L+	6.50%	8/28/2025	622	618	622	
		Secured Debt	(9)	08/28/2019	10.17%	L+	6.50%	8/28/2025	17,148	17,050	17,148	
										17,668	17,770	
INW Manufacturing, LLC	(11) Manufacturer of Nutrition and Wellness Products	Secured Debt	(9)	05/19/2021	10.48%	L+	5.75%	3/25/2027	6,984	6,825	5,972	
Iron-Main Investments, LLC	Consumer Reporting Agency Providing Employment Background Checks and Drug Testing	Secured Debt		08/02/2021	12.50%			11/15/2026	1,133	1,108	1,108	
		Secured Debt		09/01/2021	12.50%			11/15/2026	788	771	771	
		Secured Debt		11/15/2021	12.50%			11/15/2026	2,236	2,236	2,236	
		Secured Debt		11/15/2021	12.50%			11/15/2026	4,928	4,813	4,813	
		Common Stock		08/03/2021						449	449	
				44,944						9,377	9,377	
Isagenix International, LLC	(11) Direct Marketer of Health & Wellness Products	Secured Debt	(9) (14)	06/21/2018	9.93%	L+	7.75%	6/14/2025	5,053	5,034	1,537	
Jackmont Hospitality, Inc.	(10) Franchisee of Casual Dining Restaurants	Secured Debt	(9)	10/26/2022	12.23%	L+	7.50%	11/4/2024	1,000	965	1,000	
		Secured Debt	(9)	11/08/2021	12.23%	L+	7.50%	11/4/2024	4,126	4,126	4,126	
		Preferred Equity	(8)	11/08/2021	12.00%		12.00%			242	1,247	
				5,653,333						5,333	6,373	
Joerns Healthcare, LLC	(11) Manufacturer and Distributor of Health Care Equipment & Supplies	Secured Debt		11/15/2021	18.00%			1/31/2024	1,935	1,935	1,935	
		Secured Debt	(14)	08/21/2019	19.75%		19.75%	8/21/2024	3,351	3,325	418	
		Common Stock		08/21/2019						3,678	—	
				392,514						8,938	2,353	
Johnson Downie Opco, LLC	Executive Search Services	Secured Debt	(9)	12/10/2021		L+	11.50%	12/10/2026	—	(3)	—	
		Secured Debt	(9)	12/10/2021	15.63%	L+	11.50%	12/10/2026	1,111	1,093	1,111	
		Preferred Equity	(8)	12/10/2021						350	620	
				350						1,440	1,731	

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Consolidated Schedule of Investments (Continued)
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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
JorVet Holdings, LLC	Supplier and Distributor of Veterinary Equipment and Supplies	Secured Debt	03/28/2022		12.00%			3/28/2027	2,850	2,802	2,802
		Preferred Equity	(8)	03/28/2022	11,934					1,193	1,193
										3,995	3,995
JTI Electrical & Mechanical, LLC	(10) Electrical, Mechanical and Automation Services	Secured Debt	(9)	12/22/2021		L+ 6.00%		12/22/2026	—	(11)	(11)
		Secured Debt	(9)	12/22/2021		10.73% L+ 6.00%		12/22/2026	3,059	3,010	3,059
		Common Equity		12/22/2021	140,351					140	240
										3,139	3,288
KMS, LLC	(10) Wholesaler of Closeout and Value-priced Products	Secured Debt	(9)	10/04/2021		12.00% L+ 7.25%		10/4/2026	1,330	1,250	1,244
		Secured Debt	(9)	10/04/2021		12.00% L+ 7.25%		10/4/2026	9,381	9,238	8,778
										10,488	10,022
Lightbox Holdings, L.P.	(11) Provider of Commercial Real Estate Software	Secured Debt		05/09/2019		9.73% L+ 5.00%		5/9/2026	5,826	5,783	5,622
LL Management, Inc.	(10) Medical Transportation Service Provider	Secured Debt	(9)	05/02/2019		11.21% SF+ 7.25%		9/25/2023	8,003	7,987	7,945
		Secured Debt	(9)	05/02/2019		11.67% SF+ 7.25%		9/25/2023	6,164	6,148	6,119
		Secured Debt	(9)	05/12/2022		11.67% SF+ 7.25%		9/25/2023	8,884	8,809	8,820
										22,944	22,884
LLFlex, LLC	(10) Provider of Metal-Based Laminates	Secured Debt	(9)	08/16/2021		12.74% L+ 9.00%		8/16/2026	4,938	4,856	4,833
Logix Acquisition Company, LLC	(10) Competitive Local Exchange Carrier	Secured Debt	(9)	01/08/2018		10.13% L+ 5.75%		12/22/2024	9,506	9,476	7,843
Mako Steel, LP	(10) Self-Storage Design & Construction	Secured Debt	(9) (31)	03/15/2021		11.79% L+ 7.25%		3/15/2026	3,448	3,395	3,426
		Secured Debt	(9)	03/15/2021		11.09% L+ 7.25%		3/15/2026	17,070	16,845	16,959
										20,240	20,385
MB2 Dental Solutions, LLC	(11) Dental Partnership Organization	Secured Debt	(9)	01/28/2021		10.42% SF+ 6.00%		1/29/2027	8,359	8,223	8,359
		Secured Debt	(9)	01/28/2021		10.42% SF+ 6.00%		1/29/2027	7,876	7,783	7,876
										16,006	16,235
MetalForming AcquireCo, LLC	Distributor of Sheet Metal Folding and Metal Forming Equipment	Secured Debt		10/19/2022				10/19/2024	—	(1)	(1)
		Secured Debt		10/19/2022		12.75%		10/19/2027	1,748	1,697	1,697
		Preferred Equity	(8)	10/19/2022	434,331	8.00%	8.00%			441	441
		Common Stock		10/19/2022	112,865					113	113
										2,250	2,250
Microbe Formulas, LLC	(10) Nutritional Supplements Provider										

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4) (7)	Fair Value (18) (7)
		Secured Debt	(9) 04/04/2022		9.86%	SF+ 6.25%		4/3/2028	—	(7) 3,085	(7) 3,034
		Secured Debt	(9) 04/04/2022			SF+ 6.25%		4/3/2028	3,142	3,078	3,027
Mills Fleet Farm Group, LLC	(10) Omnichannel Retailer of Work, Farm and Lifestyle Merchandise	Secured Debt	(9) 10/24/2018		10.66%	L+ 6.25%		10/24/2024	18,769	18,559	18,338
MonitorUS Holding, LLC	(10) (13) (21) SaaS Provider of Media Intelligence Services	Secured Debt	(9) 05/24/2022			L+ 7.00%		5/24/2027	—	(19) 2,828	(19) 3,139
		Secured Debt	(9) 05/24/2022		11.73%	L+ 7.00%		5/24/2027	2,882	4,820	4,906
		Secured Debt	(9) 05/24/2022		11.73%	L+ 7.00%		5/24/2027	4,906	256	256
		Common Stock	08/30/2022	12,798,820						7,885	8,282
NinjaTrader, LLC	(10) Operator of Futures Trading Platform	Secured Debt	(9) 12/18/2019			L+ 6.25%		12/18/2024	—	(1) —	(23) (23)
		Secured Debt	(9) 12/18/2019			L+ 6.25%		12/18/2024	—	(23) —	(23) (23)
		Secured Debt	(9) 12/18/2019		9.99%	L+ 6.25%		12/18/2024	11,634	11,524	11,634
										11,500	11,611
NTM Acquisition Corp.	(11) Provider of B2B Travel Information Content	Secured Debt	(9) 07/12/2016		9.50%	L+ 6.25%	1.00%	6/7/2024	4,036	4,034	3,915
NWN Corporation	(10) Value Added Reseller and Provider of Managed Services to a Diverse Set of Industries	Secured Debt	(9) (39) 05/07/2021		10.85%	SF+ 8.00%		5/7/2026	1,570	1,519	1,482
		Secured Debt	(9) 05/07/2021		12.56%	SF+ 8.00%		5/7/2026	20,786	20,476	19,620
		Secured Debt	12/16/2022		20.00%		20.00%	8/6/2026	3,226	3,065	3,065
										25,060	24,167
OVG Business Services, LLC	(10) Venue Management Services	Secured Debt	(9) 11/29/2021		10.64%	L+ 6.25%		11/19/2028	17,413	17,265	16,368
Paragon Healthcare, Inc.	(10) Infusion Therapy Treatment Provider	Secured Debt	(9) 01/19/2022		10.26%	SF+ 5.75%		1/19/2027	71	57	70
		Secured Debt	(9) (29) 01/19/2022		9.96%	SF+ 5.75%		1/19/2027	356	343	349
		Secured Debt	(9) 01/19/2022		9.81%	SF+ 5.75%		1/19/2027	2,363	2,304	2,317
										2,704	2,736
PTL US Bidco, Inc	(13) Manufacturers of Equipment, Including Drilling Rigs and Equipment, and Providers of Supplies and Services to Companies Involved in the Drilling, Evaluation and Completion of Oil and Gas Wells.	Secured Debt	(9) 08/19/2022			SF+ 7.25%		8/19/2027	—	(12) 1,817	(12) 1,828
		Secured Debt	(9) 08/19/2022		11.80%	SF+ 7.25%		8/19/2027	1,852	1,805	1,816
RA Outdoors LLC	(10) Software Solutions Provider for Outdoor Activity Management	Secured Debt	(9) 04/08/2021			SF+ 6.75%		4/8/2026	—	(11) —	(11) (11)

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9) 04/08/2021		10.56%	SF+ 6.75%		4/8/2026	12,917	12,789	11,685
										12,778	11,674
Research Now Group, Inc. and Survey Sampling International, LLC (11)	Provider of Outsourced Online Surveying	Secured Debt	(9) 12/29/2017		8.84%	L+ 5.50%		12/20/2024	9,820	9,820	7,434
RM Bidder, LLC (10)	Scripted and Unscripted TV and Digital Programming Provider	Member Units	11/12/2015	1,854						31	13
		Warrants	(26) 11/12/2015	218,601				10/20/2025		284	—
										315	13
Roof Opco, LLC (10)	Residential Re-Roofing/Repair	Secured Debt	(9) 08/27/2021		10.97%	SF+ 6.50%		8/27/2026	389	375	389
		Secured Debt	(9) 08/27/2021		10.32%	SF+ 6.50%		8/27/2026	2,917	2,835	2,917
		Secured Debt	(9) 08/27/2021		10.32%	SF+ 6.50%		8/27/2026	3,967	3,906	3,967
										7,116	7,273
Rug Doctor, LLC. (10)	Carpet Cleaning Products and Machinery	Secured Debt	(9) 07/16/2021		13.02%	SF+ 6.25% 2.00%	11/16/2024	6,250	6,212	5,597	
		Secured Debt	(9) 07/16/2021		13.02%	SF+ 6.25% 2.00%	11/16/2024	9,250	9,190	8,293	
										15,402	13,890
Savers, Inc. (11)	For-Profit Thrift Retailer	Secured Debt	(9) 05/14/2021		10.34%	SF+ 5.50%		4/26/2028	4,281	4,270	4,149
SIB Holdings, LLC (10)	Provider of Cost Reduction Services	Secured Debt	(9) 10/29/2021		11.01%	L+ 6.25%	10/29/2026	522	511	491	
		Secured Debt	(9) 10/29/2021		11.01%	L+ 6.25%	10/29/2026	1,954	1,908	1,803	
		Secured Debt	(9) 10/29/2021		11.01%	L+ 6.25%	10/29/2026	9,726	9,576	8,974	
		Common Equity	10/29/2021	119,048						250	183
										12,245	11,451
Slick Innovations, LLC	Text Message Marketing Platform	Secured Debt	09/13/2018		14.00%			12/22/2027	3,460	3,334	3,460
		Common Stock	(8) 09/13/2018	17,500						114	400
										3,448	3,860
South Coast Terminals Holdings, LLC (10)	Specialty Toll Chemical Manufacturer	Secured Debt	(9) 12/10/2021			L+ 5.75%	12/13/2026	—	(6)	(6)	
		Secured Debt	(9) 12/10/2021		9.69%	L+ 5.75%	12/13/2026	3,523	3,467	3,523	
		Common Equity	12/10/2021	60,606						61	92
										3,522	3,609
SPAU Holdings, LLC (10)	Digital Photo Product Provider	Secured Debt	(9) 07/01/2022			SF+ 7.50%	7/1/2027	—	(18)	(18)	
		Secured Debt	(9) 07/01/2022		11.06%	SF+ 7.50%	7/1/2027	4,975	4,887	4,975	
		Common Stock	07/01/2022	200,000						200	200
										5,069	5,157
Tex Tech Tennis, LLC (10)	Sporting Goods & Textiles	Preferred Equity	(23) 07/07/2021	1,000,000						1,000	1,830

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Consolidated Schedule of Investments (Continued)
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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
The Affiliati Network, LLC	Performance Marketing Solutions	Secured Debt	08/09/2021		13.00%			8/9/2026	30	26	26
		Secured Debt	08/09/2021		13.00%			8/9/2026	2,380	2,341	2,341
		Preferred Stock	(8)	08/09/2021	320,000					1,600	1,600
										3,967	3,967
U.S. TelePacific Corp.	(11) Provider of Communications and Managed Services	Secured Debt	(9)	05/17/2017		11.57%	SF+ 1.25% 7.25%	5/2/2026	13,425	13,358	5,018
USA DeBusk LLC	(10) Provider of Industrial Cleaning Services	Secured Debt	(9)	10/22/2019		9.82%	L+ 5.75%	9/8/2026	18,013	17,828	18,013
Vida Capital, Inc	(11) Alternative Asset Manager	Secured Debt		10/10/2019		10.38%	L+ 6.00%	10/1/2026	6,263	6,208	4,885
Vistar Media, Inc.	(10) Operator of Digital Out-of-Home Advertising Platform	Preferred Stock		04/03/2019	70,207					767	2,250
Volusion, LLC	Provider of Online Software-as-a-Service eCommerce Solutions	Secured Debt	(17)	01/26/2015		11.50%		1/26/2020	7,172	7,172	6,392
		Unsecured Convertible Debt		05/16/2018		8.00%		11/16/2023	175	175	—
		Preferred Member Units		01/26/2015	2,090,001					6,000	—
		Warrants	(27)	01/26/2015	784,867			1/26/2025		1,104	—
										14,451	6,392
VORTEQ Coil Finishers, LLC	(10) Specialty Coating of Aluminum and Light-Gauge Steel	Common Equity	(8)	11/30/2021	769,231					769	2,910
Wall Street Prep, Inc.	(10) Financial Training Services	Secured Debt	(9)	07/19/2021			L+ 7.00%	7/19/2026	—	(7)	(7)
		Secured Debt	(9)	07/19/2021		10.74%	L+ 7.00%	7/19/2026	5,328	5,252	5,216
		Common Stock		07/19/2021	500,000					500	530
										5,745	5,739
Watterson Brands, LLC	(10) Facility Management Services	Secured Debt	(9)	12/17/2021		10.73%	L+ 6.00%	12/17/2026	51	46	51
		Secured Debt	(9)	12/17/2021		10.73%	L+ 6.00%	12/17/2026	53	45	53
		Secured Debt	(9)	12/17/2021		10.73%	L+ 6.00%	12/17/2026	4,142	4,089	4,141
										4,180	4,245
West Star Aviation Acquisition, LLC	(10) Aircraft, Aircraft Engine and Engine Parts	Secured Debt	(9)	03/01/2022			SF+ 6.00%	3/1/2028	—	(6)	(6)
		Secured Debt	(9)	03/01/2022		8.59%	SF+ 6.00%	3/1/2028	2,978	2,926	2,948
		Common Stock		03/01/2022	200,000					200	250
										3,120	3,192

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Consolidated Schedule of Investments (Continued)
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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
Winter Services LLC	(10) Provider of Snow Removal and Ice Management Services	Secured Debt	(9) 11/19/2021			L+	7.00%	11/19/2026	—	(43)	—
		Secured Debt	(9) 11/19/2021			L+	7.00%	11/19/2026	—	(43)	(43)
		Secured Debt	(9) 11/19/2021		10.74%	L+	7.00%	11/19/2026	12,500	12,305	12,487
									12,219	12,444	
World Micro Holdings, LLC	Supply Chain Management	Secured Debt	12/12/2022		13.00%			12/12/2027	1,970	1,930	1,930
		Preferred Equity	12/12/2022	530						530	530
									2,460	2,460	
Xenon Arc, Inc.	(10) Tech-enabled Distribution Services to Chemicals and Food Ingredients Primary Producers	Secured Debt	12/17/2021			L+	5.25%	12/17/2026	—	(6)	(6)
		Secured Debt	12/17/2021		10.84%	L+	5.25%	12/17/2027	1,200	1,169	1,192
		Secured Debt	12/17/2021		8.63%	L+	5.25%	12/17/2027	2,370	2,332	2,354
									3,495	3,540	
YS Garments, LLC	(11) Designer and Provider of Branded Activewear	Secured Debt	(9) 08/22/2018		9.51%	L+	5.50%	8/9/2024	6,329	6,310	6,064
Zips Car Wash, LLC	(10) Express Car Wash Operator	Secured Debt	(9) 02/11/2022		11.67%	SF+	7.25%	3/1/2024	2,388	2,357	2,388
		Secured Debt	(9) (32) 02/11/2022		11.67%	SF+	7.25%	3/1/2024	599	594	597
									2,951	2,985	
Subtotal Non-Control/Non-Affiliate Investments (121.5% of net assets at fair value)									\$ 787,201	\$ 740,840	
Total Portfolio Investments, December 31, 2022 (175.2% of net assets at fair value)									\$ 1,059,886	\$ 1,068,143	
Short-Term Investments (16)											
US Bank Money Market Account (21)									\$ 8,347	\$ 8,347	
Total Short-Term Investments									\$ 8,347	\$ 8,347	

- (1) All investments are Lower Middle Market portfolio investments, unless otherwise noted. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for a description of Lower Middle Market portfolio investments. All of the Company’s investments, unless otherwise noted, are encumbered as security for one of the Company’s Credit Facilities.
- (2) Debt investments are income producing, unless otherwise noted by footnote (14), as described below. Equity and warrants are non-income producing, unless otherwise noted by footnote (8), as described below.
- (3) See *Note C — Fair Value Hierarchy for Investments — Portfolio Composition* and Schedule 12-14 for a summary of geographic location of portfolio companies.
- (4) Principal is net of repayments. Cost is net of repayments and accumulated unearned income.

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- (5) Control investments are defined by the 1940 Act as investments in which more than 25% of the voting securities are owned or where the ability to nominate greater than 50% of the board representation is maintained.
- (6) Affiliate investments are defined by the 1940 Act as investments in which between 5% and 25% (inclusive) of the voting securities are owned and the investments are not classified as Control investments.
- (7) Non-Control/Non-Affiliate investments are defined by the 1940 Act as investments that are neither Control investments nor Affiliate investments.
- (8) Income producing through dividends or distributions.
- (9) Index based floating interest rate is subject to contractual minimum interest rate. As noted in this schedule, 93% of the loans (based on the par amount) contain LIBOR floors which range between 0.50% and 2.00%, with a weighted-average LIBOR floor of 1.04%.
- (10) Private Loan portfolio investment. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for a description of Private Loan portfolio investments.
- (11) Middle Market portfolio investment. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for a description of Middle Market portfolio investments.
- (12) Other Portfolio investment. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for a description of Other Portfolio investments.
- (13) Investment is not a qualifying asset as defined under Section 55(a) of the 1940 Act. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets.
- (14) Non-accrual and non-income producing investment.
- (15) All of the Company’s portfolio investments are generally subject to restrictions on resale as “restricted securities.”
- (16) Short-term investments represent an investment in a fund that invests in highly liquid investments with average original maturity dates of three months or less. These short-term investments are included as Cash and cash equivalents on the Consolidated Balance Sheets.
- (17) Maturity date is under on-going negotiations with the portfolio company and other lenders, if applicable.
- (18) Investment fair value was determined using significant unobservable inputs, unless otherwise noted. See *Note C — Fair Value Hierarchy for Investments—Portfolio Composition* for further discussion. Negative fair value is the result of the capitalized discount on the loan or the unfunded commitment being valued below par.
- (19) Investments may have a portion, or all, of their income received from Paid-in-Kind (“PIK”) interest or dividends. PIK interest income and cumulative dividend income represent income not paid currently in cash. The difference between the Total Rate and PIK Rate represents the cash rate as of December 31, 2022.
- (20) All portfolio company headquarters are based in the United States, unless otherwise noted.
- (21) Effective yield as of December 31, 2022 was approximately 0.005% on the US Bank Money Market Account.
- (22) Investment date represents the date of initial investment in the security position.
- (23) Shares/Units represent ownership in a related Real Estate or HoldCo entity.
- (24) Investment is not unitized. Presentation is made in percent of fully diluted ownership unless otherwise indicated.
- (25) A majority of the variable rate loans in the Company’s Investment Portfolio bear interest at a rate that may be determined by reference to either LIBOR (“L”), SOFR (“SF”) or an alternate Base rate (commonly based on the Federal Funds Rate or the Prime rate (“P”)), which typically resets every one, three, or six months at the borrower’s option. SOFR based contracts may include a credit spread adjustment (the “Adjustment”) that is charged in addition to the stated spread. The Adjustment is applied when the SOFR rate, plus the Adjustment, exceeds the stated floor rate, as applicable. As of December 31, 2022, SOFR based contracts in the portfolio had Adjustments ranging from 0.10% to 0.26%.
- (26) Warrants are presented in equivalent units with a strike price of \$14.28 per unit.
- (27) Warrants are presented in equivalent shares/units with a strike price of \$0.01 per share/unit.
- (28) Index based floating interest rate is subject to contractual maximum base rate of 2.50%.

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December 31, 2022
(dollars in thousands)

- (29) As of December 31, 2022, borrowings under the loan facility bore interest at SOFR-5.75% (Floor 1.00%). Delayed draw term loan facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2022.
- (30) The security has an effective contractual interest rate of 2.00% PIK + LIBOR+6.50%, Floor 1.00%, but the issuer may, in its discretion, elect to pay the PIK interest in cash. The rate presented represents the effective current yield based on actual payments received during the period.
- (31) As of December 31, 2022, borrowings under the loan facility bore interest at LIBOR-7.25% (Floor 0.75%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2022.
- (32) As of December 31, 2022, borrowings under the loan facility bore interest at SOFR-7.25% (Floor 1.00%). Each new draw on the delayed draw term loan facility has a different floating rate reset date. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2022.
- (33) The position is unfunded and no interest income is being earned as of December 31, 2022. The position may earn a nominal unused facility fee on committed amounts.
- (34) As of December 31, 2022, borrowings under the loan facility bore interest at SOFR-6.25% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2022.
- (35) As of December 31, 2022, borrowings under the loan facility bore interest at SOFR-6.25% (Floor 1.00%). Due to an amendment and subsequent funding during the quarter, the term loan facility has different floating rate reset dates. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2022.
- (36) As of December 31, 2022, borrowings under the loan facility bore interest at LIBOR-8.00% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2022.
- (37) As of December 31, 2022, borrowings under the loan facility bore interest at SOFR-5.75% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2022.
- (38) As of December 31, 2022, borrowings under the loan facility bore interest at LIBOR+0.00%. RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2022.
- (39) As of December 31, 2022, borrowings under the loan facility bore interest at SOFR+8.00% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2022.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements

(Unaudited)

NOTE A — ORGANIZATION AND BASIS OF PRESENTATION

1. Organization

MSC Income Fund, Inc. (“MSIF” or, together with its consolidated subsidiaries, “MSC Income Fund” or the “Company”) is a principal investment firm primarily focused on providing debt capital to middle market (“Middle Market”) companies and customized debt and equity financing to lower middle market (“LMM”) companies. The portfolio investments of MSC Income Fund are typically made to support leveraged buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in a variety of industry sectors. MSC Income Fund seeks to partner with private equity funds in its Private Loan (as defined below) and Middle Market investment strategies. MSC Income Fund invests primarily in secured debt investments of Middle Market companies generally headquartered in the United States and in secured debt investments, equity investments, warrants and other securities of LMM companies based in the United States. MSC Income Fund seeks to partner with private equity funds in its Private Loan (as defined below) and Middle Market investment strategies. MSC Income Fund seeks to partner with entrepreneurs, business owners and management teams and generally provides “one-stop” financing alternatives within its LMM investment strategy.

MSIF was formed in November 2011 to operate as an externally managed business development company (“BDC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). MSIF has elected to be treated for U.S. federal income tax purposes as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). As a result, MSIF generally does not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that it distributes to its stockholders.

On October 28, 2020, MSIF’s stockholders approved the appointment of MSC Adviser I, LLC (the “Adviser”), which is wholly-owned by Main Street Capital Corporation (“Main Street”), a New York Stock Exchange listed BDC, as MSIF’s investment adviser and administrator, under an Investment Advisory and Administrative Services Agreement dated October 30, 2020 (the “Investment Advisory Agreement”). In such role, the Adviser has the responsibility to manage the business of MSC Income Fund, including the responsibility to identify, evaluate, negotiate and structure prospective investments, make investment and portfolio management decisions, monitor MSC Income Fund’s investment portfolio and provide ongoing administrative services.

MSIF has certain direct and indirect wholly-owned subsidiaries that have elected to be taxable entities (the “Taxable Subsidiaries”). The primary purpose of the Taxable Subsidiaries is to permit MSIF to hold equity investments in portfolio companies which are “pass-through” entities for tax purposes. MSIF also has certain direct and indirect wholly-owned subsidiaries formed for financing purposes (the “Structured Subsidiaries”).

Unless otherwise noted or the context otherwise indicates, the terms “we,” “us,” “our,” the “Company” and “MSC Income Fund” refer to MSIF and its consolidated subsidiaries, which include the Taxable Subsidiaries and the Structured Subsidiaries.

2. Basis of Presentation

MSC Income Fund’s consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”). The Company is an investment company following accounting and reporting guidance in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 946, Financial Services—Investment Companies (“ASC 946”). For each of the periods presented herein, MSC Income Fund’s consolidated financial statements include the accounts of MSIF and its consolidated subsidiaries. The Investment Portfolio, as used herein, refers to all of MSC Income Fund’s investments in Private Loan portfolio companies, investments in LMM portfolio companies, investments in Middle Market portfolio companies and Other Portfolio investments (see *Note C — Fair Value Hierarchy for Investments — Portfolio Composition — Investment Portfolio Composition* for additional discussion of MSC Income Fund’s Investment Portfolio and definitions for the defined terms Private Loan and Other Portfolio). MSC Income Fund’s results of operations for the three months ended March 31, 2023 and 2022, cash flows for the three months ended March 31, 2023 and 2022, and financial position as of March 31, 2023 and December 31, 2022, are presented on a consolidated basis. The effects of all intercompany transactions between MSIF and its consolidated subsidiaries have been eliminated in consolidation.

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)****(Unaudited)**

The accompanying unaudited consolidated financial statements of MSC Income Fund are presented in conformity with 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 Regulation S-X. Accordingly, certain disclosures accompanying annual consolidated financial statements prepared in accordance with U.S. GAAP are omitted. The unaudited consolidated financial statements and notes should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2022. In the opinion of management, the unaudited consolidated financial results included herein contain all adjustments, consisting solely of normal recurring accruals, considered necessary for the fair presentation of financial statements for the interim periods included herein. The results of operations for the three months ended March 31, 2023 are not necessarily indicative of the operating results to be expected for the full year. Financial statements prepared on a U.S. GAAP basis require management to make estimates and assumptions that affect the amounts and disclosures reported in the consolidated financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

Principles of Consolidation

Under ASC 946, MSC Income Fund is precluded from consolidating other entities in which MSC Income Fund has equity investments, including those in which it has a controlling interest, unless the other entity is another investment company. An exception to this general principle in ASC 946 occurs if MSC Income Fund holds a controlling interest in an operating company that provides all or substantially all of its services directly to MSC Income Fund or to its portfolio companies. Accordingly, as noted above, MSC Income Fund's consolidated financial statements include the financial position and operating results for the Taxable Subsidiaries and the Structured Subsidiaries. MSC Income Fund has determined that none of its portfolio investments qualify for this exception. Therefore, MSC Income Fund's Investment Portfolio is carried on the Consolidated Balance Sheets at fair value, as discussed further in *Note B.1. — Summary of Significant Accounting Policies — Valuation of the Investment Portfolio*, with any adjustments to fair value recognized as "Net Unrealized Appreciation (Depreciation)" until the investment is realized, usually upon exit, resulting in any gain or loss being recognized as a "Net Realized Gain (Loss)," in both cases on the Consolidated Statements of Operations.

Portfolio Investment Classification

MSC Income Fund classifies its Investment Portfolio in accordance with the requirements of the 1940 Act. Under the 1940 Act, (a) "Control Investments" are defined as investments in which MSC Income Fund owns more than 25% of the voting securities or has rights to maintain greater than 50% of the board representation, (b) "Affiliate Investments" are defined as investments in which MSC Income Fund owns between 5% and 25% (inclusive) of the voting securities and does not have rights to maintain greater than 50% of the board representation and (c) "Non-Control/Non-Affiliate Investments" are defined as investments that are neither Control Investments nor Affiliate Investments. For purposes of determining the classification of its Investment Portfolio, MSC Income Fund has excluded consideration of any voting securities or board appointment rights held by Main Street and third-party investment funds advised by the Adviser.

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**1. Valuation of the Investment Portfolio**

MSC Income Fund accounts for its Investment Portfolio at fair value. As a result, MSC Income Fund follows the provisions of ASC 820 *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements. ASC 820 requires MSC Income Fund to assume that the portfolio investment is to be sold in the principal market to independent market participants, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal market that are independent, knowledgeable and willing and able to transact.

MSC Income Fund's portfolio strategy calls for it to invest primarily in debt securities issued by Middle Market companies and illiquid debt and equity securities issued by privately held, LMM companies. The Middle Market companies in which MSC Income Fund invests are generally larger in size and can be more liquid than the LMM companies. MSC Income Fund categorizes some of its investments in Middle Market companies and LMM companies as

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

Private Loan portfolio investments, which are primarily debt securities in privately held companies that have primarily been originated directly by our Adviser or, to a lesser extent, by the Adviser through its strategic relationships with other investment funds on a collaborative basis through investments that are often referred to in the debt markets as “club deals” because of the small lender group size. In both cases, our Private Loan investments are typically made to support a company owned by or in the process of being acquired by a private equity sponsor. Private Loan investments are made in companies that are consistent with the size of companies MSC Income Fund invests in through its Middle Market portfolio and LMM portfolio. MSC Income Fund’s portfolio also includes Other Portfolio investments which primarily consist of investments that are not consistent with the typical profiles for its Private Loan, LMM or Middle Market portfolio investments, including investments which may be managed by third parties. MSC Income Fund’s portfolio investments may be subject to restrictions on resale.

LMM investments and Other Portfolio investments generally have no established trading market, while Private Loan investments may include investments which have no established market or have established markets that are not active. Middle Market portfolio investments generally have established markets that are not active. MSC Income Fund determines in good faith the fair value of its Investment Portfolio pursuant to a valuation policy in accordance with ASC 820, with such valuation process approved by its Board of Directors and in accordance with the 1940 Act. MSC Income Fund’s valuation policies and processes are intended to provide a consistent basis for determining the fair value of MSC Income Fund’s Investment Portfolio.

For Private Loan and Middle Market portfolio investments in debt securities for which it has determined that third-party quotes or other independent pricing are not available or appropriate, MSC Income Fund generally estimates the fair value based on the assumptions that it believes hypothetical market participants would use to value the investment in a current hypothetical sale using the yield-to-maturity model (“Yield-to-Maturity”) valuation method. For LMM portfolio investments, MSC Income Fund generally reviews external events, including private mergers, sales and acquisitions involving comparable companies, and includes these events in the valuation process by using an enterprise value waterfall methodology (“Waterfall”) for its LMM equity investments and an income approach using a Yield-to-Maturity valuation method for its LMM debt investments. For Middle Market portfolio investments in debt securities for which it has determined that third-party quotes or other independent prices are available, MSC Income Fund primarily uses quoted prices in the valuation process. MSC Income Fund determines the appropriateness of the use of third-party broker quotes, if any, in determining fair value based on its understanding of the level of actual transactions used by the broker to develop the quote and whether the quote was an indicative price or binding offer, the depth and consistency of broker quotes and the correlation of changes in broker quotes with underlying performance of the portfolio company and other market indices. For its Other Portfolio equity investments, MSC Income Fund generally calculates the fair value of the investment primarily based on the net asset value (“NAV”) of the fund and adjusts the fair value for other factors deemed relevant that would affect the fair value of the investment. All of the valuation approaches for MSC Income Fund’s portfolio investments estimate the value of the investment as if MSC Income Fund was to sell, or exit, the investment as of the measurement date.

These valuation approaches consider the value associated with MSC Income Fund’s ability to control the capital structure of the portfolio company, as well as the timing of a potential exit. For valuation purposes, “control” portfolio investments are composed of debt and equity securities in companies for which MSC Income Fund has a controlling interest in the equity ownership of the portfolio company or the ability to nominate a majority of the portfolio company’s board of directors. For valuation purposes, “non-control” portfolio investments are generally composed of debt and equity securities in companies for which MSC Income Fund does not have a controlling interest in the equity ownership of the portfolio company or the ability to nominate a majority of the portfolio company’s board of directors.

Under the Waterfall valuation method, MSC Income Fund estimates the enterprise value of a portfolio company using a combination of market and income approaches or other appropriate valuation methods, such as considering recent transactions in the equity securities of the portfolio company or third-party valuations of the portfolio company, and then performs a Waterfall calculation by allocating the enterprise value over the portfolio company’s securities in order of their preference relative to one another. The enterprise value is the fair value at which an enterprise could be sold in a transaction between two willing parties, other than through a forced or liquidation sale. Typically, privately held companies are bought and sold based on multiples of earnings before interest, taxes, depreciation and amortization (“EBITDA”), cash flows, net income, revenues, or in limited cases, book value. There is no single methodology for estimating enterprise value. For any

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

one portfolio company, enterprise value is generally described as a range of values from which a single estimate of enterprise value is derived. In estimating the enterprise value of a portfolio company, MSC Income Fund analyzes various factors including the portfolio company's historical and projected financial results. Due to SEC deadlines for MSC Income Fund's quarterly and annual financial reporting, the operating results of a portfolio company used in the current period valuation are generally the results from the period ended three months prior to such valuation date and may include unaudited, projected, budgeted or pro forma financial information and may require adjustments for non-recurring items or to normalize the operating results that may require significant judgment in determining. In addition, projecting future financial results requires significant judgment regarding future growth assumptions. In evaluating the operating results, MSC Income Fund also analyzes the impact of exposure to litigation, loss of customers or other contingencies. After determining the appropriate enterprise value, MSC Income Fund allocates the enterprise value to investments in order of the legal priority of the various components of the portfolio company's capital structure. In applying the Waterfall valuation method, MSC Income Fund assumes the loans are paid-off at the principal amount in a change in control transaction and are not assumed by the buyer, which MSC Income Fund believes is consistent with its past transaction history and standard industry practices.

Under the Yield-to-Maturity valuation method, MSC Income Fund also uses the income approach to determine the fair value of debt securities based on projections of the discounted future free cash flows that the debt security will likely generate, including analyzing the discounted cash flows of interest and principal amounts for the debt security, as set forth in the associated loan agreements, as well as the financial position and credit risk of the portfolio company. MSC Income Fund's estimate of the expected repayment date of its debt securities is generally the maturity date of the instrument, as MSC Income Fund generally intends to hold its loans and debt securities to maturity. The Yield-to-Maturity analysis also considers changes in leverage levels, credit quality, portfolio company performance, changes in market-based interest rates and other factors. MSC Income Fund will generally use the value determined by the Yield-to-Maturity analysis as the fair value for that security; however, because of MSC Income Fund's general intent to hold its loans to maturity, the fair value will not exceed the principal amount of the debt security valued using the Yield-to-Maturity valuation method. A change in the assumptions that MSC Income Fund uses to estimate the fair value of its debt securities using the Yield-to-Maturity valuation method could have a material impact on the determination of fair value. If there is deterioration in credit quality or if a debt security is in workout status, MSC Income Fund may consider other factors in determining the fair value of the debt security, including the value attributable to the debt security from the enterprise value of the portfolio company or the proceeds that would most likely be received in a liquidation analysis.

Under the NAV valuation method, for an investment in an investment fund that does not have a readily determinable fair value, MSC Income Fund measures the fair value of the investment predominately based on the NAV of the investment fund as of the measurement date and adjusts the investment's fair value for factors known to MSC Income Fund that would affect that fund's NAV, including, but not limited to, fair values for individual investments held by the fund if MSC Income Fund holds the same investment or for a publicly traded investment. In addition, in determining the fair value of the investment, MSC Income Fund considers whether adjustments to the NAV are necessary in certain circumstances, based on the analysis of any restrictions on redemption of MSC Income Fund's investment as of the measurement date, recent actual sales or redemptions of interests in the investment fund, and expected future cash flows available to equity holders, including the rate of return on those cash flows compared to an implied market return on equity required by market participants, or other uncertainties surrounding MSC Income Fund's ability to realize the full NAV of its interests in the investment fund.

Pursuant to its internal valuation process and the requirements under the 1940 Act, MSC Income Fund performs valuation procedures on each of its portfolio investments quarterly. In addition to its internal valuation process, in arriving at estimates of fair value for its investments in its Private Loan portfolio companies, MSC Income Fund, among other things, consults with a nationally recognized independent financial advisory services firm (the "Financial Advisory Firm"). The Financial Advisory Firm analyzes and provides observations and recommendations and an assurance certification regarding MSC Income Fund's determinations of the fair value of its Private Loan portfolio company investments. The Financial Advisory Firm is generally consulted relative to MSC Income Fund's investments in each Private Loan portfolio company at least once every calendar year, and for MSC Income Fund's investments in new Private Loan portfolio companies, at least once in the twelve-month period subsequent to the initial investment. In certain instances, MSC Income Fund may determine that it is not cost-effective, and as a result is not in its stockholders' best interest, to consult with the Financial Advisory Firm on its investments in one or more Private Loan portfolio companies. Such instances include, but

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)****(Unaudited)**

are not limited to, situations where the fair value of MSC Income Fund's investment in a Private Loan portfolio company is determined to be insignificant relative to the total Investment Portfolio. MSC Income Fund consulted with and received an assurance certification from the Financial Advisory Firm in arriving at its determination of fair value on its investments in a total of 14 Private Loan portfolio companies for the three months ended March 31, 2023, representing 24% of the total Private Loan portfolio at fair value as of March 31, 2023, and on a total of 12 Private Loan portfolio companies for the three months ended March 31, 2022, representing 26% of the total Private Loan portfolio at fair value as of March 31, 2022. Excluding its investments in Private Loan portfolio companies that, as of March 31, 2023 and 2022, as applicable, had not been in the Investment Portfolio for at least twelve months subsequent to the initial investment and its investments in Private Loan portfolio companies that were not reviewed because the investment is valued based upon third-party quotes or other independent pricing, the percentage of the Private Loan portfolio reviewed and certified by the Financial Advisory Firm for the three months ended March 31, 2023 and 2022 was 26% and 35% of the total Private Loan portfolio at fair value, respectively.

For valuation purposes, all of MSC Income Fund's Private Loan portfolio investments are non-control investments. For Private Loan portfolio investments for which it has determined that third-party quotes or other independent pricing are not available or appropriate, MSC Income Fund generally estimates the fair value based on the assumptions that it believes hypothetical market participants would use to value such Private Loan debt investments in a current hypothetical sale using the Yield-to-Maturity valuation method and such Private Loan equity investments in a current hypothetical sale using the Waterfall valuation method.

In addition to its internal valuation process, in arriving at estimates of fair value for its investments in its LMM portfolio companies, MSC Income Fund, among other things, consults with the Financial Advisory Firm. The Financial Advisory Firm analyzes and provides observations, recommendations and an assurance certification regarding MSC Income Fund's determinations of the fair value of its LMM portfolio company investments. The Financial Advisory Firm is generally consulted relative to MSC Income Fund's investments in each LMM portfolio company at least once every calendar year, and for MSC Income Fund's investments in new LMM portfolio companies, at least once in the twelve-month period subsequent to the initial investment. In certain instances, MSC Income Fund may determine that it is not cost-effective, and as a result is not in its stockholders' best interest, to consult with the Financial Advisory Firm on its investments in one or more LMM portfolio companies. Such instances include, but are not limited to, situations where the fair value of MSC Income Fund's investment in a LMM portfolio company is determined to be insignificant relative to the total Investment Portfolio. MSC Income Fund consulted with and received an assurance certification from the Financial Advisory Firm in arriving at MSC Income Fund's determination of fair value on its investments in a total of 13 LMM portfolio companies for the three months ended March 31, 2023, representing 39% of the total LMM portfolio at fair value as of March 31, 2023 and on a total of 13 LMM portfolio companies for the three months ended March 31, 2022, representing 40% of the total LMM portfolio at fair value as of March 31, 2022. Excluding its investments in LMM portfolio companies that, as of March 31, 2023 and 2022, as applicable, had not been in the Investment Portfolio for at least twelve months subsequent to the initial investment or whose primary purpose is to own real estate for which a third-party appraisal is obtained on at least an annual basis, the percentage of the LMM portfolio reviewed and certified by the Financial Advisory Firm for the three months ended March 31, 2023 and 2022 was 41% and 48% of the total LMM portfolio at fair value, respectively.

For valuation purposes, all of MSC Income Fund's Middle Market portfolio investments are non-control investments. To the extent sufficient observable inputs are available to determine fair value, MSC Income Fund uses observable inputs to determine the fair value of these investments through obtaining third-party quotes or other independent pricing. For Middle Market portfolio investments for which it has determined that third-party quotes or other independent pricing are not available or appropriate, MSC Income Fund generally estimates the fair value based on the assumptions that it believes hypothetical market participants would use to value such Middle Market debt investments in a current hypothetical sale using the Yield-to-Maturity valuation method and such Middle Market equity investments in a current hypothetical sale using the Waterfall valuation method. MSC Income Fund generally consults on a limited basis with the Financial Advisory Firm in connection with determining the fair value of its Middle Market portfolio investments due to the nature of these investments. The vast majority (93% and 91% as of March 31, 2023 and December 31, 2022, respectively) of the Middle Market portfolio investments (i) are valued using third-party quotes or other independent pricing services, (ii) MSC Income Fund has consulted with and received an assurance certification from the Financial

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

Advisory Firm within the last twelve months or (iii) are new investments that have not been in the Investment Portfolio for at least twelve months subsequent to the initial investment.

For valuation purposes, all of MSC Income Fund's Other Portfolio investments are non-control investments. MSC Income Fund's Other Portfolio investments comprised 2.6% and 2.7% of MSC Income Fund's Investment Portfolio at fair value as of March 31, 2023 and December 31, 2022, respectively. Similar to the LMM investment portfolio, market quotations for Other Portfolio equity investments are generally not readily available. For its Other Portfolio equity investments, MSC Income Fund generally determines the fair value of these investments using the NAV valuation method.

Due to the inherent uncertainty in the valuation process, MSC Income Fund's determination of fair value for its Investment Portfolio may differ materially from the values that would have been determined had a ready market for the securities existed. In addition, changes in the market environment, portfolio company performance and other events that may occur over the lives of the investments may cause the gains or losses ultimately realized on these investments to be materially different than the valuations currently assigned. MSC Income Fund determines the fair value of each individual investment and records changes in fair value as unrealized appreciation or depreciation.

MSC Income Fund uses an internally developed portfolio investment rating system in connection with its investment oversight, portfolio management and analysis and investment valuation procedures for its Private Loan, LMM and Middle Market portfolio companies. This system takes into account both quantitative and qualitative factors of each Private Loan, LMM and Middle Market portfolio company.

In December 2020, the SEC adopted Rule 2a-5 under the 1940 Act, which permits a BDC's board of directors to designate its executive officers or investment adviser as a valuation designee to determine the fair value for its investment portfolio, subject to the active oversight of the board. MSC Income Fund's Board of Directors has approved policies and procedures pursuant to Rule 2a-5 (the "Valuation Procedures") and has designated the Adviser, led by a group of Main Street's and the Adviser's executive officers, to serve as the Board of Directors' valuation designee. MSC Income Fund believes its Investment Portfolio as of March 31, 2023 and December 31, 2022 approximates fair value as of those dates based on the markets in which MSC Income Fund operates and other conditions in existence on those reporting dates.

2. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results may differ from these estimates under different conditions or assumptions. Additionally, as explained in *Note B.1. — Summary of Significant Accounting Policies — Valuation of the Investment Portfolio*, the consolidated financial statements include investments in the Investment Portfolio whose values have been estimated by MSC Income Fund pursuant to valuation policies and procedures approved and overseen by MSC Income Fund's Board of Directors, in the absence of readily ascertainable market values. Because of the inherent uncertainty of the Investment Portfolio valuations, those estimated values may differ materially from the values that would have been determined had a ready market for the securities existed.

Macroeconomic factors, including the COVID-19 pandemic, risk of recession, inflation, supply chain constraints or disruptions, geopolitical disruptions and rising interest rates, and the related effect on the U.S. and global economies, have impacted, and may continue to impact, the businesses and operating results of certain of MSC Income Fund's portfolio companies, as well as market interest rate spreads. As a result of these and other current effects of macroeconomic factors, as well as the uncertainty regarding the extent and duration of their impact, the valuation of MSC Income Fund's Investment Portfolio has and may continue to experience increased volatility.

3. Cash and Cash Equivalents

Cash and cash equivalents consist of cash and highly liquid investments with an original maturity of three months or less at the date of purchase. These highly liquid, short-term investments are included in the Consolidated Schedule of Investments. Cash and cash equivalents are carried at cost, which approximates fair value. At March 31, 2023, the

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

Company had investments in short-term money market accounts and money market funds totaling \$7.5 million and \$10.9 million, respectively, classified as cash equivalents.

At March 31, 2023, cash balances, including money market accounts, totaling \$18.5 million exceeded Federal Deposit Insurance Corporation insurance protection levels, subjecting the Company to risk related to the uninsured balance. All of the Company's cash deposits are held at large established high credit quality financial institutions, and management believes that the risk of loss associated with any uninsured balances is remote.

4. Interest, Dividend and Fee Income

MSC Income Fund records interest and dividend income on the accrual basis to the extent amounts are expected to be collected. Dividend income is recorded when dividends are declared by the portfolio company or at such other time that an obligation exists for the portfolio company to make a distribution. MSC Income Fund evaluates accrued interest and dividend income periodically for collectability. When a loan or debt security becomes 90 days or more past due, and if MSC Income Fund otherwise does not expect the debtor to be able to service its debt obligation, MSC Income Fund will generally place the loan or debt security on non-accrual status and cease recognizing interest income on that loan or debt security until the borrower has demonstrated the ability and intent to pay contractual amounts due. If a loan or debt security's status significantly improves regarding the debtor's ability to service the debt obligation, or if a loan or debt security is sold or written off, MSC Income Fund removes it from non-accrual status.

As of March 31, 2023, MSC Income Fund's total Investment Portfolio had seven investments on non-accrual status, which comprised 0.7% of its fair value and 4.6% of its cost. As of December 31, 2022, MSC Income Fund's total Investment Portfolio had seven investments on non-accrual status, which comprised 0.8% of its fair value and 4.8% of its cost.

MSC Income Fund holds certain debt and preferred equity instruments in its Investment Portfolio that contain payment-in-kind ("PIK") interest and cumulative dividend provisions. The PIK interest, computed at the contractual rate specified in each debt agreement, is periodically added to the principal balance of the debt and is recorded as interest income. Thus, the actual collection of this interest may be deferred until the time of debt principal repayment. Cumulative dividends are recorded as dividend income, and any dividends in arrears are added to the balance of the preferred equity investment. The actual collection of these dividends in arrears may be deferred until such time as the preferred equity is redeemed or sold. To maintain RIC tax treatment (as discussed in *Note B.7. — Summary of Significant Accounting Policies — Income Taxes* below), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though MSC Income Fund may not have collected the PIK interest and cumulative dividends in cash. MSC Income Fund stops accruing PIK interest and cumulative dividends and writes off any accrued and uncollected interest and dividends in arrears when it determines that such PIK interest and dividends in arrears are no longer collectible. For the three months ended March 31, 2023 and 2022, (i) 3.8% and 1.8%, respectively, of MSC Income Fund's total investment income was attributable to PIK interest income not paid currently in cash and (ii) 0.1% and 1.8%, respectively, of MSC Income Fund's total investment income was attributable to cumulative dividend income not paid currently in cash.

MSC Income Fund may periodically provide services, including structuring and advisory services, to its portfolio companies or other third parties. For services that are separately identifiable and evidence exists to substantiate fair value, fee income is recognized as earned. Fees received in connection with debt financing transactions are generally deferred and accreted into income over the life of the financing.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

A presentation of total investment income MSC Income Fund received from its Investment Portfolio in each of the periods presented is as follows:

	Three Months Ended March 31,	
	2023	2022
(dollars in thousands)		
Interest, fee and dividend income:		
Interest income	\$ 28,932	\$ 20,069
Dividend income	1,559	2,793
Fee income	555	539
Total interest, fee and dividend income	<u>\$ 31,046</u>	<u>\$ 23,401</u>

5. Deferred Financing Costs

Deferred financing costs include commitment fees and other direct costs incurred in connection with arranging MSC Income Fund's borrowings. These costs were incurred in connection with MSC Income Fund's multi-year revolving Credit Facilities (as defined below in *Note D — Debt*) and have been capitalized as an asset and reflected in the Consolidated Balance Sheets as Deferred financing costs. Deferred financing costs incurred in connection with the Series A Notes (as defined below in *Note D — Debt*) are a direct deduction from the principal amount outstanding.

6. Unearned Income—Debt Origination Fees and Original Issue Discount and Discounts / Premiums to Par Value

MSC Income Fund capitalizes debt origination fees received in connection with financings and reflects such fees as unearned income netted against the applicable debt investments. The unearned income from the fees is accreted into income over the life of the financing.

In connection with its portfolio debt investments, MSC Income Fund sometimes receives nominal cost warrants or warrants with an exercise price below the fair value of the underlying equity (together, "nominal cost equity") that are valued as part of the negotiation process with the particular portfolio company. When MSC Income Fund receives nominal cost equity, it allocates its cost basis in its investment between its debt security and its nominal cost equity at the time of origination based on amounts negotiated with the particular portfolio company. The allocated amounts are based upon the fair value of the nominal cost equity, which is then used to determine the allocation of cost to the debt security. Any discount recorded on a debt investment resulting from this allocation is reflected as unearned income, which is netted against the applicable debt investment, and accreted into interest income over the life of the debt investment. The actual collection of this interest is deferred until the time of debt principal repayment.

MSC Income Fund may also purchase debt securities at a discount or at a premium to the par value of the debt security. In the case of a purchase at a discount, MSC Income Fund records the investment at the par value of the debt security net of the discount, and the discount is accreted into interest income over the life of the debt investment. In the case of a purchase at a premium, MSC Income Fund records the investment at the par value of the debt security plus the premium, and the premium is amortized as a reduction to interest income over the life of the debt investment.

To maintain RIC tax treatment (as discussed in *Note B.7. — Summary of Significant Accounting Policies — Income Taxes* below), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though MSC Income Fund may not have collected the interest income. For the three months ended March 31, 2023 and 2022, 2.5% and 2.7%, respectively, of MSC Income Fund's total investment income was attributable to interest income from the accretion of discounts associated with debt investments, net of any premium reduction.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

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7. Income Taxes

MSIF has elected to be treated for U.S. federal income tax purposes as a RIC. MSIF's taxable income includes the taxable income generated by MSIF and certain of its subsidiaries, including the Structured Subsidiaries, which are treated as disregarded entities for tax purposes. As a RIC, MSIF generally will not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that MSIF distributes to its stockholders. MSIF must generally distribute at least 90% of its "investment company taxable income" (which is generally its net ordinary taxable income and realized net short-term capital gains in excess of realized net long-term capital losses) and 90% of its tax-exempt income to maintain its RIC status (pass-through tax treatment for amounts distributed). As part of maintaining RIC status, undistributed taxable income (subject to a 4% non-deductible U.S. federal excise tax) pertaining to a given fiscal year may be distributed up to twelve months subsequent to the end of that fiscal year, provided such dividends are declared on or prior to the later of (i) the filing of the U.S. federal income tax return for the applicable fiscal year or (ii) the fifteenth day of the ninth month following the close of the year in which such taxable income was generated.

The Taxable Subsidiaries primarily hold certain equity investments for MSC Income Fund. The Taxable Subsidiaries permit MSC Income Fund to hold equity investments in portfolio companies which are "pass-through" entities for tax purposes and to continue to comply with the "source-of-income" requirements contained in the RIC tax provisions of the Code. The Taxable Subsidiaries are consolidated with MSC Income Fund for U.S. GAAP financial reporting purposes, and the portfolio investments held by the Taxable Subsidiaries are included in MSC Income Fund's consolidated financial statements as portfolio investments and recorded at fair value. The Taxable Subsidiaries are not consolidated with MSIF for income tax purposes and may generate income tax expense, or benefit, and tax assets and liabilities, as a result of their ownership of certain portfolio investments. The taxable income, or loss, of the Taxable Subsidiaries may differ from their book income, or loss, due to temporary book and tax timing differences and permanent differences. The Taxable Subsidiaries are each taxed at corporate income tax rates based on their taxable income. The income tax expense, or benefit, if any, and the related tax assets and liabilities, of the Taxable Subsidiaries are reflected in MSC Income Fund's consolidated financial statements.

The Taxable Subsidiaries use the liability method in accounting for income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements, using statutory tax rates in effect for the year in which the temporary differences are expected to reverse. A valuation allowance is provided, if necessary, against deferred tax assets when it is more likely than not that some portion or all of the deferred tax asset will not be realized. MSC Income Fund's net assets as included on the Consolidated Balance Sheets and Consolidated Statements of Changes in Net Assets include an adjustment to classification as a result of permanent book-to-tax differences, which include differences in the book and tax treatment of income and expenses.

Taxable income generally differs from net income for financial reporting purposes due to temporary and permanent differences in the recognition of income and expenses. Taxable income generally excludes net unrealized appreciation or depreciation, as investment gains or losses are not included in taxable income until they are realized.

8. Net Realized Gains or Losses and Net Unrealized Appreciation or Depreciation

Realized gains or losses are measured by the difference between the net proceeds from the sale or redemption of an investment or a financial instrument and the cost basis of the investment or financial instrument, without regard to unrealized appreciation or depreciation previously recognized, and includes investments written-off during the period net of recoveries and realized gains or losses from in-kind redemptions. Net unrealized appreciation or depreciation reflects the net change in the fair value of the Investment Portfolio and financial instruments and the reclassification of any prior period unrealized appreciation or depreciation on exited investments and financial instruments to realized gains or losses.

9. Fair Value of Financial Instruments

Fair value estimates are made at discrete points in time based on relevant information. These estimates may be subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. MSC Income Fund believes that the carrying amounts of its financial instruments, consisting of cash and cash

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

equivalents, receivables, payables and other liabilities approximate the fair values of such items due to the short-term nature of these instruments.

To estimate the fair value of MSC Income Fund's Series A Notes as disclosed in *Note D — Debt*, MSC Income Fund uses the Yield-to-Maturity valuation method based on projections of the discounted future free cash flows that the debt security will likely generate, including both the discounted cash flows of the associated interest and principal amounts for the debt security.

10. Earnings per Share

Net increase in net assets resulting from operations per share and net investment income per share are computed utilizing the weighted-average number of shares of common stock outstanding for the period.

11. Recently Issued or Adopted Accounting Standards

In March 2020, the FASB issued ASU 2020-04, *Reference rate reform (Topic 848) — Facilitation of the effects of reference rate reform on financial reporting*. The amendments in this update provide optional expedients and exceptions for applying U.S. GAAP to certain contracts and hedging relationships that reference LIBOR or another reference rate expected to be discontinued due to reference rate reform and became effective upon issuance for all entities. The Company has agreements that have LIBOR as a reference rate with certain portfolio companies and also with certain lenders. Many of these agreements include language for choosing an alternative successor rate if LIBOR reference is no longer considered to be appropriate. Contract modifications are required to be evaluated in determining whether the modifications result in the establishment of new contracts or the continuation of existing contracts. The Company adopted this amendment in March 2020 and plans to apply the amendments in this update to account for contract modifications due to changes in reference rates when LIBOR reference is no longer used. The Company utilized the optional expedients and exceptions provided by ASU 2020-04 during the three months ended March 31, 2023 and the year ended December 31, 2022, the effect of which was not material to the consolidated financial statements and the notes thereto.

In June 2022, the FASB issued ASU 2022-03, *Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*. The amendments in this update provide that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value. The amendments in this update also require additional disclosures for equity securities subject to contractual sales restrictions. ASU 2022-03 is effective for years beginning after December 15, 2023, though early adoption is permitted. The Company elected to early adopt ASU 2022-03 as of December 31, 2022 and it did not have a material impact on the consolidated financial statements and the notes thereto.

In November 2022, the FASB issued ASU 2022-06, *Reference rate reform (Topic 848) — Deferral of the Sunset Date of Topic 848*. The amendments in this update defer the sunset date of Topic 848 from December 31, 2022 to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The Company utilized the optional expedients provided by ASU 2020-04 during the three months ended March 31, 2023 and the year ended December 31, 2022, the effect of which was not material to the consolidated financial statements and the notes thereto. The Company will continue to utilize the optional expedients provided by ASU 2020-04 and extended by ASU 2022-06 through the year end December 31, 2024. The Company does not expect ASU 2022-06 to have a material impact to the consolidated financial statements and the notes thereto.

From time to time, new accounting pronouncements are issued by the FASB or other standards-setting bodies that are adopted by the Company as of the specified effective date. The Company believes that the impact of recently issued standards and any that are not yet effective will not have a material impact on its consolidated financial statements upon adoption.

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(Unaudited)

NOTE C — FAIR VALUE HIERARCHY FOR INVESTMENTS—PORTFOLIO COMPOSITION

ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and enhances disclosure requirements for fair value measurements. MSC Income Fund accounts for its investments at fair value.

Fair Value Hierarchy

In accordance with ASC 820, MSC Income Fund has categorized its investments based on the priority of the inputs to the valuation technique into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical investments (Level 1) and the lowest priority to unobservable inputs (Level 3).

Investments recorded on MSC Income Fund's Consolidated Balance Sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1 — Investments whose values are based on unadjusted quoted prices for identical assets in an active market that MSC Income Fund has the ability to access (examples include investments in active exchange-traded equity securities and investments in most U.S. government and agency securities).

Level 2 — Investments whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the investment. Level 2 inputs include the following:

- Quoted prices for similar assets in active markets (for example, investments in restricted stock);
- Quoted prices for identical or similar assets in non-active markets (for example, investments in thinly traded public companies);
- Pricing models whose inputs are observable for substantially the full term of the investment (for example, market interest rate indices); and
- Pricing models whose inputs are derived principally from, or corroborated by, observable market data through correlation or other means for substantially the full term of the investment.

Level 3 — Investments whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement (for example, investments in illiquid securities issued by privately held companies). These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the investment.

As required by ASC 820, when the inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety. For example, a Level 3 fair value measurement may include inputs that are observable (Levels 1 and 2) and unobservable (Level 3). Therefore, unrealized appreciation and depreciation related to such investments categorized within the Level 3 tables below may include changes in fair value that are attributable to both observable inputs (Levels 1 and 2) and unobservable inputs (Level 3).

As of March 31, 2023 and December 31, 2022, MSC Income Fund's Private Loan portfolio investments primarily consisted of investments in interest-bearing secured debt investments. The fair value determination for these investments consisted of a combination of observable inputs in non-active markets for which sufficient observable inputs were not available to determine the fair value of these investments and unobservable inputs. As a result, all of MSC Income Fund's Private Loan portfolio investments were categorized as Level 3 as of March 31, 2023 and December 31, 2022.

As of March 31, 2023 and December 31, 2022, all of MSC Income Fund's LMM portfolio investments consisted of illiquid securities issued by privately held companies and the fair value determination for these investments primarily

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consisted of unobservable inputs. As a result, all of MSC Income Fund's LMM portfolio investments were categorized as Level 3 as of March 31, 2023 and December 31, 2022.

As of March 31, 2023 and December 31, 2022, MSC Income Fund's Middle Market portfolio investments consisted primarily of investments in secured and unsecured debt investments and independently rated debt investments. The fair value determination for these investments consisted of a combination of observable inputs in non-active markets for which sufficient observable inputs were not available to determine the fair value of these investments and unobservable inputs. As a result, all of MSC Income Fund's Middle Market portfolio investments were categorized as Level 3 as of March 31, 2023 and December 31, 2022.

As of March 31, 2023 and December 31, 2022, MSC Income Fund's Other Portfolio investments consisted of illiquid securities issued by privately held companies and the fair value determination for these investments primarily consisted of unobservable inputs. As a result, all of MSC Income Fund's Other Portfolio investments were categorized as Level 3 as of March 31, 2023 and December 31, 2022.

The fair value determination of each portfolio investment categorized as Level 3 required one or more of the following unobservable inputs:

- Financial information obtained from each portfolio company, including unaudited statements of operations and balance sheets for the most recent period available as compared to budgeted numbers;
- Current and projected financial condition of the portfolio company;
- Current and projected ability of the portfolio company to service its debt obligations;
- Type and amount of collateral, if any, underlying the investment;
- Current financial ratios (e.g., fixed charge coverage ratio, interest coverage ratio and net debt/ EBITDA ratio) applicable to the investment;
- Current liquidity of the investment and related financial ratios (e.g., current ratio and quick ratio);
- Pending debt or capital restructuring of the portfolio company;
- Projected operating results of the portfolio company;
- Current information regarding any offers to purchase the investment;
- Current ability of the portfolio company to raise any additional financing as needed;
- Changes in the economic environment which may have a material impact on the operating results of the portfolio company;
- Internal occurrences that may have an impact (both positive and negative) on the operating performance of the portfolio company;
- Qualitative assessment of key management;
- Contractual rights, obligations or restrictions associated with the investment; and
- Other factors deemed relevant.

The use of significant unobservable inputs creates uncertainty in the measurement of fair value as of the reporting date. The significant unobservable inputs used in the fair value measurement of MSC Income Fund's LMM equity

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

securities, which are generally valued through an average of the discounted cash flow technique and the market comparable/enterprise value technique (unless one of these approaches is determined to not be appropriate), are (i) EBITDA multiples and (ii) the weighted-average cost of capital (“WACC”). Significant increases (decreases) in EBITDA multiple inputs in isolation would result in a significantly higher (lower) fair value measurement. On the contrary, significant increases (decreases) in WACC inputs in isolation would result in a significantly lower (higher) fair value measurement. The significant unobservable inputs used in the fair value measurement of MSC Income Fund’s Private Loan, LMM and Middle Market securities are (i) risk adjusted discount rates used in the Yield-to-Maturity valuation technique (see *Note B.1. — Summary of Significant Accounting Policies — Valuation of the Investment Portfolio*) and (ii) the percentage of expected principal recovery. Significant increases (decreases) in any of these discount rates in isolation would result in a significantly lower (higher) fair value measurement. Significant increases (decreases) in any of these expected principal recovery percentages in isolation would result in a significantly higher (lower) fair value measurement. However, due to the nature of certain investments, fair value measurements may be based on other criteria, such as third-party appraisals of collateral and fair values as determined by independent third parties, which are not presented in the tables below.

The following tables provide a summary of the significant unobservable inputs used to fair value MSC Income Fund’s Level 3 portfolio investments as of March 31, 2023 and December 31, 2022:

Type of Investment	Fair Value as of March 31, 2023 (in thousands)	Valuation Technique	Significant Unobservable Inputs	Range(3)	Weighted Average(3)	Median(3)
Equity investments	\$ 223,150	Discounted cash flow	WACC	10.4% - 22.3%	14.3 %	15.2 %
		Market comparable / Enterprise value	EBITDA multiple (1)	4.5x - 9.0x (2)	7.2x	6.4x
Debt investments	\$ 746,651	Discounted cash flow	Risk adjusted discount factor	6.0% - 16.2% (2)	10.5 %	9.9 %
			Expected principal recovery percentage	0.9% - 100.0%	99.2 %	100.0 %
Debt investments	\$ 97,293	Market approach	Third-party quote	5.1 - 97.5	86.0	94.0
Total Level 3 investments	\$ 1,067,094					

(1) EBITDA may include proforma adjustments and/or other addbacks based on specific circumstances related to each investment.

(2) Range excludes outliers that are greater than one standard deviation from the mean. Including these outliers, the range for EBITDA multiple is 2.0x - 15.7x and the range for risk adjusted discount factor is 4.7% - 35.0%.

(3) Does not include investments for which the valuation technique does not include the use of the applicable fair value input.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

Type of Investment	Fair Value as of December 31, 2022 (in thousands)	Valuation Technique	Significant Unobservable Inputs	Range(3)	Weighted Average(3)	Median(3)
Equity investments	\$ 215,861	Discounted cash flow	WACC	10.4% - 22.5%	14.3 %	15.7 %
		Market comparable / Enterprise value	EBITDA multiple (1)	4.3x - 8.5x (2)	7.2x	6.4x
Debt investments	\$ 743,887	Discounted cash flow	Risk adjusted discount factor	5.3% - 15.8% (2)	10.1 %	9.6 %
			Expected principal recovery percentage	0.7% - 100.0%	99.1 %	100.0 %
Debt investments	\$ 108,395	Market approach	Third-party quote	5.6 - 98.5	85.7	90.0
Total Level 3 investments	\$ 1,068,143					

(1) EBITDA may include proforma adjustments and/or other addbacks based on specific circumstances related to each investment.

(2) Range excludes outliers that are greater than one standard deviation from the mean. Including these outliers, the range for EBITDA multiple is 2.0x - 15.7x and the range for risk adjusted discount factor is 4.5% - 43.3%.

(3) Does not include investments for which the valuation technique does not include the use of the applicable fair value input.

The following tables provide a summary of changes in fair value of MSC Income Fund's Level 3 portfolio investments for the three-month periods ended March 31, 2023 and 2022 (amounts in thousands):

Type of Investment	Fair Value as of December 31, 2022	Transfers Into Level 3 Hierarchy	Redemptions/ Repayments	New Investments	Net Changes from Unrealized to Realized	Net Unrealized Appreciation (Depreciation)	Other(1)	Fair Value as of March 31, 2023
Debt	\$ 852,282	\$ —	\$ (23,105)	\$ 25,679	\$ 1,403	\$ (7,409)	\$ (4,906)	\$ 843,944
Equity	214,687	—	(1,311)	1,828	(3,809)	5,005	6,011	222,411
Equity Warrant	1,174	—	—	—	—	670	(1,105)	739
	\$ 1,068,143	\$ —	\$ (24,416)	\$ 27,507	\$ (2,406)	\$ (1,734)	\$ —	\$ 1,067,094

(1) Includes the impact of non-cash conversions. These transactions represent non-cash investing activities. See additional cash flow information in the Consolidated Statements of Cash Flows.

Type of Investment	Fair Value as of December 31, 2021	Transfers Into Level 3 Hierarchy	Redemptions/ Repayments	New Investments	Net Changes from Unrealized to Realized	Net Unrealized Appreciation (Depreciation)	Other(1)	Fair Value as of March 31, 2022
Debt	\$ 879,970	\$ —	\$ (51,189)	\$ 48,270	\$ 756	\$ (3,022)	\$ —	\$ 874,785
Equity	196,374	—	(30)	2,526	—	7,149	—	206,019
Equity Warrant	792	—	—	—	—	—	—	792
	\$ 1,077,136	\$ —	\$ (51,219)	\$ 50,796	\$ 756	\$ 4,127	\$ —	\$ 1,081,596

(1) Includes the impact of non-cash conversions. These transactions represent non-cash investing activities. See additional cash flow information in the Consolidated Statements of Cash Flows.

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Notes to the Consolidated Financial Statements (Continued)
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At March 31, 2023 and December 31, 2022, MSC Income Fund's investments at fair value were categorized as follows in the fair value hierarchy for ASC 820 purposes:

	Fair Value	Fair Value Measurements (in thousands)		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
At March 31, 2023				
Private Loan portfolio investments	\$ 567,726	\$ —	\$ —	\$ 567,726
LMM portfolio investments	362,165	—	—	362,165
Middle Market portfolio investments	109,502	—	—	109,502
Other Portfolio investments	27,701	—	—	27,701
Total investments	\$ 1,067,094	\$ —	\$ —	\$ 1,067,094

	Fair Value	Fair Value Measurements (in thousands)		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
At December 31, 2022				
Private Loan portfolio investments	\$ 559,763	\$ —	\$ —	\$ 559,763
LMM portfolio investments	352,661	—	—	352,661
Middle Market portfolio investments	126,744	—	—	126,744
Other Portfolio investments	28,975	—	—	28,975
Total investments	\$ 1,068,143	\$ —	\$ —	\$ 1,068,143

Investment Portfolio Composition

MSC Income Fund's principal investment objective is to maximize its portfolio's total return by generating current income from its debt investments and current income and capital appreciation from its equity and equity-related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. MSC Income Fund seeks to achieve its investment objective through its Private Loan, LMM and Middle Market investment strategies.

MSC Income Fund's private loan ("Private Loan") investment strategy is focused on investments in privately held companies that are generally consistent with the size of its LMM portfolio companies or Middle Market portfolio companies, and its Private Loan investments generally range in size from \$1 million to \$20 million. MSC Income Fund's Private Loan investments primarily consist of debt securities that have primarily been originated directly by the Adviser or, to a lesser extent, by the Adviser through its strategic relationships with other investment funds on a collaborative basis through investments that are often referred to in the debt markets as "club deals" because of the small lender group size. In both cases, our Private Loan investments are typically made to support a company owned by or in the process of being acquired by a private equity sponsor. MSC Income Fund's Private Loan portfolio debt investments are generally secured by a first priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date. MSC Income Fund may have the option to invest alongside the private equity sponsor in the equity securities of its Private Loan portfolio companies.

MSC Income Fund's LMM investment strategy is focused on investments in secured debt, equity warrants and direct equity investments in privately held, LMM companies based in the United States. MSC Income Fund's LMM portfolio companies generally have annual revenues between \$10 million and \$150 million, and its LMM investments generally range in size from \$1 million to \$20 million. The LMM debt investments are typically secured by a first priority lien on the assets of the portfolio company, can include either fixed or floating rate terms and generally have a term of

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

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between five and seven years from the original investment date. In most LMM portfolio investments, MSC Income Fund receives nominally priced equity warrants and/or makes direct equity investments in connection with a debt investment.

MSC Income Fund's Middle Market investment strategy is focused on investments in syndicated loans to or debt securities in Middle Market companies, which MSC Income Fund defines as companies with annual revenues between \$150 million and \$1.5 billion, and its Middle Market investments generally range in size from \$1 million to \$20 million. MSC Income Fund's Middle Market portfolio debt investments are generally secured by a first priority lien on the assets of the portfolio company and typically have an expected duration of between three and seven years from the original investment date.

MSC Income Fund's other portfolio ("Other Portfolio") investments primarily consist of investments that are not consistent with the typical profiles for its Private Loan, LMM or Middle Market portfolio investments, including investments which may be managed by third parties. In the Other Portfolio, MSC Income Fund may incur indirect fees and expenses in connection with investments managed by third parties, such as investments in other investment companies or private funds. For Other Portfolio investments, MSC Income Fund generally receives distributions related to the assets held by the portfolio company. Those assets are typically expected to be liquidated over a five to ten-year period.

Investment income, consisting of interest, dividends and fees, can fluctuate dramatically due to various factors, including the level of new investment activity, repayments of debt investments or sales of equity interests. Investment income in any given year could also be highly concentrated among several portfolio companies. For the three months ended March 31, 2023 and 2022, MSC Income Fund did not record investment income from any single portfolio company in excess of 10% of total investment income.

The following tables provide a summary of MSC Income Fund's investments in the Private Loan, LMM and Middle Market portfolios as of March 31, 2023 and December 31, 2022 (this information excludes Other Portfolio investments, which are discussed further below):

	As of March 31, 2023		
	Private Loan	LMM (a)	Middle Market
	(dollars in millions)		
Number of portfolio companies	71	49	20
Fair value	\$ 567.7	\$ 362.2	\$ 109.5
Cost	\$ 571.9	\$ 316.6	\$ 150.7
Debt investments as a % of portfolio (at cost)	96.3 %	71.6 %	94.7 %
Equity investments as a % of portfolio (at cost)	3.7 %	28.4 %	5.3 %
% of debt investments at cost secured by first priority lien	99.4 %	100.0 %	100.0 %
Weighted-average annual effective yield (b)	12.6 %	12.5 %	12.4 %
Average EBITDA (c)	\$ 36.9	\$ 8.9	\$ 80.0

(a) At March 31, 2023, MSC Income Fund had equity ownership in all of its LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was 9%.

(b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments at cost as of March 31, 2023, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status. The weighted-average annual effective yield on MSC Income Fund's debt portfolio as of March 31, 2023 including debt investments on non-accrual status was 12.2% for its Private Loan portfolio, 12.1% for its LMM portfolio and 11.3% for its Middle Market portfolio. The weighted-average annual effective yield is not reflective of what an investor in shares of MSC Income Fund's common stock will realize on its investment because it does not reflect MSC Income Fund's utilization of debt capital in its capital structure, MSC Income Fund's expenses or any sales load paid by an investor.

MSC INCOME FUND, INC.

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- (c) The average EBITDA is calculated using a weighted-average for the Private Loan and Middle Market portfolios and a simple average for the LMM portfolio. These calculations exclude certain portfolio companies, including one Private Loan portfolio company and one LMM portfolio company, as EBITDA is not a meaningful valuation metric for MSC Income Fund's investments in these portfolio companies, and those portfolio companies whose primary purpose is to own real estate.

	As of December 31, 2022		
	Private Loan	LMM (a)	Middle Market
	(dollars in millions)		
Number of portfolio companies	70	48	21
Fair value	\$ 559.8	\$ 352.7	\$ 126.7
Cost	\$ 563.0	\$ 312.5	\$ 159.7
Debt investments as a % of portfolio (at cost)	96.2 %	73.2 %	95.0 %
Equity investments as a % of portfolio (at cost)	3.8 %	26.8 %	5.0 %
% of debt investments at cost secured by first priority lien	99.4 %	99.9 %	98.5 %
Weighted-average annual effective yield (b)	11.8 %	12.1 %	11.3 %
Average EBITDA (c)	\$ 36.8	\$ 8.6	\$ 79.2

- (a) At December 31, 2022, MSC Income Fund had equity ownership in all of its LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was 9%.
- (b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments at cost as of December 31, 2022, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status. The weighted-average annual effective yield on MSC Income Fund's debt portfolio as of December 31, 2022 including debt investments on non-accrual status was 11.4% for its Private Loan portfolio, 11.7% for its LMM portfolio and 9.7% for its Middle Market portfolio. The weighted-average annual effective yield is not reflective of what an investor in shares of MSC Income Fund's common stock will realize on its investment because it does not reflect MSC Income Fund's utilization of debt capital in its capital structure, MSC Income Fund's expenses or any sales load paid by an investor.
- (c) The average EBITDA is calculated using a weighted-average for the Private Loan and Middle Market portfolios and a simple average for the LMM portfolio. These calculations exclude one Private Loan portfolio company, as EBITDA is not a meaningful valuation metric for MSC Income Fund's investment in this portfolio company, and those portfolio companies whose primary purpose is to own real estate.

For the three months ended March 31, 2023 and 2022, MSC Income Fund achieved an annualized total return on investments of 1.4% and 10.3%, respectively. For the year ended December 31, 2022, MSC Income Fund achieved a total return on investments of 9.1%. Total return on investments is calculated using the interest, dividend and fee income, as well as the realized and unrealized change in fair value of the Investment Portfolio for the specified period. MSC Income Fund's total return on investments is not reflective of what an investor in shares of MSC Income Fund's common stock will realize on its investment because it does not reflect MSC Income Fund's utilization of debt capital in its capital structure, MSC Income Fund's expenses or any sales load paid by an investor.

As of March 31, 2023, MSC Income Fund had Other Portfolio investments in four companies, collectively totaling \$27.7 million in fair value and \$23.7 million in cost basis and which comprised 2.6% and 2.2% of MSC Income Fund's Investment Portfolio at fair value and cost, respectively. As of December 31, 2022, MSC Income Fund had Other Portfolio investments in four companies, collectively totaling \$29.0 million in fair value and \$24.7 million in cost basis and which comprised 2.7% and 2.3% of MSC Income Fund's Investment Portfolio at fair value and cost, respectively.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

The following tables summarize the composition of MSC Income Fund's total combined Private Loan, LMM and Middle Market portfolio investments at cost and fair value by type of investment as a percentage of the total combined Private Loan, LMM and Middle Market portfolio investments, as of March 31, 2023 and December 31, 2022 (this information excludes Other Portfolio investments).

Cost:	March 31, 2023	December 31, 2022
First lien debt	88.2 %	88.5 %
Equity	11.4	10.8
Second lien debt	0.3	0.3
Equity warrants	0.1	0.2
Other	—	0.2
	<u>100.0 %</u>	<u>100.0 %</u>

Fair Value:	March 31, 2023	December 31, 2022
First lien debt	80.9 %	81.4 %
Equity	18.7	17.9
Second lien debt	0.3	0.3
Equity warrants	0.1	0.1
Other	—	0.3
	<u>100.0 %</u>	<u>100.0 %</u>

The following tables summarize the composition of MSC Income Fund's total combined Private Loan, LMM and Middle Market portfolio investments by geographic region of the United States and other countries at cost and fair value as a percentage of the total combined Private Loan, LMM and Middle Market portfolio investments, as of March 31, 2023 and December 31, 2022 (this information excludes Other Portfolio investments). The geographic composition is determined by the location of the corporate headquarters of the portfolio company.

Cost:	March 31, 2023	December 31, 2022
West	23.2 %	22.9 %
Southwest	22.2	22.2
Northeast	20.6	20.3
Southeast	17.6	17.8
Midwest	15.4	15.1
Canada	—	0.8
Other Non-United States	1.0	0.9
	<u>100.0 %</u>	<u>100.0 %</u>

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)****(Unaudited)**

Fair Value:	March 31, 2023	December 31, 2022
Southwest	25.9 %	25.3 %
West	21.3	21.1
Northeast	20.6	20.3
Midwest	16.2	15.9
Southeast	15.0	15.2
Canada	—	1.2
Other Non-United States	1.0	1.0
	<u>100.0 %</u>	<u>100.0 %</u>

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

MSC Income Fund's Private Loan, LMM and Middle Market portfolio investments are in companies conducting business in a variety of industries. The following tables summarize the composition of MSC Income Fund's total combined Private Loan, LMM and Middle Market portfolio investments by industry at cost and fair value as of March 31, 2023 and December 31, 2022 (this information excludes Other Portfolio investments).

Cost:	March 31, 2023	December 31, 2022
Commercial Services & Supplies	11.3 %	11.3 %
Internet Software & Services	8.0	7.8
Machinery	5.8	5.9
IT Services	5.1	4.9
Health Care Providers & Services	5.1	4.9
Distributors	5.0	5.0
Diversified Consumer Services	4.7	4.7
Specialty Retail	4.0	4.0
Professional Services	3.8	3.7
Leisure Equipment & Products	3.7	3.7
Aerospace & Defense	3.7	3.6
Communications Equipment	3.6	3.5
Containers & Packaging	3.2	3.4
Diversified Telecommunication Services	2.6	3.4
Construction & Engineering	2.5	2.5
Media	2.4	2.4
Building Products	2.3	2.4
Hotels, Restaurants & Leisure	2.0	2.0
Household Products	2.0	1.5
Textiles, Apparel & Luxury Goods	1.9	2.0
Computers & Peripherals	1.9	1.9
Electrical Equipment	1.8	1.8
Diversified Financial Services	1.7	1.7
Internet & Catalog Retail	1.5	1.3
Software	1.3	1.3
Health Care Equipment & Supplies	1.3	1.2
Energy Equipment & Services	1.2	1.2
Food Products	1.1	1.1
Other (1)	5.5	5.9
	100.0 %	100.0 %

(1) Includes various industries with each industry individually less than 1.0% of the total combined Private Loan, LMM and Middle Market portfolio investments at each date.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

Fair Value:	March 31, 2023	December 31, 2022
Commercial Services & Supplies	10.3 %	10.3 %
Machinery	7.5	7.5
Internet Software & Services	7.0	6.7
Diversified Consumer Services	5.9	5.9
Distributors	5.6	5.5
IT Services	4.9	4.7
Health Care Providers & Services	4.8	4.6
Containers & Packaging	3.6	3.8
Leisure Equipment & Products	3.6	3.7
Aerospace & Defense	3.6	3.5
Specialty Retail	3.0	3.1
Construction & Engineering	2.9	2.9
Computers & Peripherals	2.9	2.8
Professional Services	2.8	2.8
Media	2.6	2.6
Diversified Telecommunication Services	2.5	3.6
Building Products	2.3	2.5
Construction Materials	2.3	2.1
Electrical Equipment	1.9	1.9
Household Products	1.9	1.3
Textiles, Apparel & Luxury Goods	1.8	2.0
Internet & Catalog Retail	1.8	1.9
Diversified Financial Services	1.8	1.8
Software	1.7	1.7
Hotels, Restaurants & Leisure	1.5	1.5
Air Freight & Logistics	1.3	1.2
Communications Equipment	1.2	1.3
Energy Equipment & Services	1.0	1.0
Other (1)	6.0	5.8
	100.0 %	100.0 %

(1) Includes various industries with each industry individually less than 1.0% of the total combined Private Loan, LMM and Middle Market portfolio investments at each date.

At March 31, 2023 and December 31, 2022, MSC Income Fund had no portfolio investment that was greater than 10% of the Investment Portfolio at fair value.

Unconsolidated Significant Subsidiaries

In accordance with Rules 3-09 and 4-08(g) of Regulation S-X, MSC Income Fund must determine which of its unconsolidated controlled portfolio companies, if any, are considered "significant subsidiaries." In evaluating its unconsolidated controlled portfolio companies in accordance with Regulation S-X, there are two tests that MSC Income Fund must utilize to determine if any of MSC Income Fund's Control Investments (as defined in *Note A — Organization and Basis of Presentation*, including those unconsolidated portfolio companies defined as Control Investments in which MSC Income Fund does not own greater than 50% of the voting securities nor have rights to maintain greater than 50% of

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

the board representation) are considered significant subsidiaries: the investment test and the income test. The investment test is generally measured by dividing MSC Income Fund's investment in the Control Investment by the value of MSC Income Fund's total investments. The income test is generally measured by dividing the absolute value of the combined sum of total investment income, net realized gain (loss) and net unrealized appreciation (depreciation) from the relevant Control Investment for the period being tested by the absolute value of MSC Income Fund's change in net assets resulting from operations for the same period. Rules 3-09 and 4-08(g) of Regulation S-X require MSC Income Fund to include (1) separate audited financial statements of an unconsolidated majority-owned subsidiary (Control Investments in which MSC Income Fund owns greater than 50% of the voting securities) in an annual report and (2) summarized financial information of a Control Investment in a quarterly report, respectively, if certain thresholds of the investment or income tests are exceeded and the unconsolidated portfolio company qualifies as a significant subsidiary.

As of March 31, 2023 and December 31, 2022, MSC Income Fund had no single investment that qualified as a significant subsidiary under either the investment or income tests.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

NOTE D — DEBT

Summary of debt as of March 31, 2023 is as follows:

	Outstanding Balance	Unamortized Debt Issuance Costs ⁽¹⁾	Recorded Value	Estimated Fair Value ⁽²⁾
(dollars in thousands)				
JPM SPV Facility	\$ 217,688	\$ —	\$ 217,688	\$ 217,688
Series A Notes	150,000	(1,069)	148,931	140,937
TIAA Credit Facility	106,000	—	106,000	106,000
Total Debt	<u>\$ 473,688</u>	<u>\$ (1,069)</u>	<u>\$ 472,619</u>	<u>\$ 464,625</u>

- (1) The unamortized debt issuance costs for the Credit Facilities are reflected as Deferred financing costs on the Consolidated Balance Sheets, while the deferred debt issuance costs related to the Series A Notes are reflected as contra liabilities to the Series A Notes on the Consolidated Balance Sheets.
- (2) Estimated fair value for outstanding debt if MSC Income Fund had adopted the fair value option under ASC 825. See discussion of the methods used to estimate the fair value of MSC Income Fund's debt in *Note B.9. — Summary of Significant Accounting Policies — Fair Value of Financial Instruments*

Summary of debt as of December 31, 2022 is as follows:

	Outstanding Balance	Unamortized Debt Issuance Costs ⁽¹⁾	Recorded Value	Estimated Fair Value ⁽²⁾
(dollars in thousands)				
JPM SPV Facility	\$ 223,688	\$ —	\$ 223,688	\$ 223,688
Series A Notes	150,000	(1,144)	148,856	132,955
TIAA Credit Facility	98,000	—	98,000	98,000
Total Debt	<u>\$ 471,688</u>	<u>\$ (1,144)</u>	<u>\$ 470,544</u>	<u>\$ 454,643</u>

- (1) The unamortized debt issuance costs for the Credit Facilities are reflected as Deferred financing costs on the Consolidated Balance Sheets, while the deferred debt issuance costs related to the Series A Notes are reflected as contra liabilities to the Series A Notes on the Consolidated Balance Sheets.
- (2) Estimated fair value for outstanding debt if MSC Income Fund had adopted the fair value option under ASC 825. See discussion of the methods used to estimate the fair value of MSC Income Fund's debt in *Note B.9. — Summary of Significant Accounting Policies — Fair Value of Financial Instruments*

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)****(Unaudited)**

Summarized interest expense for the three months ended March 31, 2023 and 2022 is as follows:

	Three Months Ended March 31,	
	2023	2022
	(dollars in thousands)	
JPM SPV Facility	\$ 4,818	\$ 2,393
Series A Notes	1,590	1,421
TIAA Credit Facility	1,927	715
Total Interest Expense	<u>\$ 8,335</u>	<u>\$ 4,529</u>

TIAA Credit Facility

MSC Income Fund is a party to a senior secured revolving credit agreement dated March 6, 2017 (as amended, the “TIAA Credit Facility”) with TIAA, FSB (“TIAA Bank”), as administrative agent, and with TIAA Bank and other financial institutions as lenders. As of March 31, 2023, the TIAA Credit Facility included (i) total commitments of \$165.0 million, (ii) an accordion feature with the right to request an increase in commitments under the facility from new and existing lenders on the same terms and conditions as the existing commitments up to \$200.0 million of total commitments and (iii) a revolving period and maturity date to September 1, 2025 and March 1, 2026, respectively, with two, one-year extension options subject to lender approval.

Borrowings under the TIAA Credit Facility bear interest, subject to MSC Income Fund’s election, on a per annum basis at a rate equal to (i) LIBOR plus 2.40% or (ii) the base rate plus 1.40%. The base rate is defined as the higher of (a) the Prime rate, (b) the Federal Funds Rate (as defined in the credit agreement) plus 0.5% or (c) LIBOR plus 1.0%. Additionally, MSC Income Fund pays an annual unused commitment fee of 0.30% per annum on the unused lender commitments if more than 50% or more of the lender commitments are being used and an annual unused commitment fee of 0.625% per annum on the unused lender commitments if less than 50% of the lender commitments are being used. Borrowings under the TIAA Credit Facility are secured by a first lien on all of the assets of MSIF and its subsidiaries, other than the assets of Structured Subsidiaries or immaterial subsidiaries, as well as all of the assets, and a pledge of equity ownership interests, of any future subsidiaries of MSIF (other than Structured Subsidiaries or immaterial subsidiaries). In connection with the TIAA Credit Facility, MSIF has made customary representations and warranties and is required to comply with various covenants, reporting requirements and other customary requirements for similar credit facilities. Effective April 27, 2023, the reference rate was changed from LIBOR to SOFR plus an applicable credit spread adjustment of 0.10%.

As of March 31, 2023, the interest rate on the TIAA Credit Facility was 7.06%. The average interest rate for borrowings under the TIAA Credit Facility was 6.93% and 2.55% for the three months ended March 31, 2023 and 2022, respectively. As of March 31, 2023, MSC Income Fund was in compliance with all financial covenants of the TIAA Credit Facility.

JPM SPV Facility

On February 3, 2021, MSIF Funding LLC (“MSIF Funding”), a wholly-owned Structured Subsidiary that primarily holds originated loan investments, entered into a senior secured revolving credit facility (as amended from time to time, the “JPM SPV Facility”) and, together with the TIAA Credit Facility, the “Credit Facilities”) by and among JPMorgan Chase Bank, National Association (“JPM”), as administrative agent, and U.S. Bank, N.A., as collateral agent and collateral administrator and MSIF as portfolio manager. The revolving period under the JPM SPV Facility expires on February 3, 2024 and the JPM SPV Facility is scheduled to mature on February 3, 2025. Advances under the JPM SPV Facility bear interest at a per annum rate equal to the three month LIBOR in effect, plus the applicable margin of 2.90% per annum. MSIF Funding also pays a commitment fee of 0.75% per annum on the average daily unused amount of the financing commitments until the third anniversary of the JPM SPV Facility. As of March 31, 2023, the JPM SPV Facility included total commitments of \$325.0 million and an accordion feature, with the right to request an increase of total commitments and borrowing availability up to \$450.0 million. The JPM SPV Facility is secured by a collateral loan on the

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

assets of MSIF Funding. In connection with the JPM SPV Facility, MSIF Funding has made customary representations and warranties and is required to comply with various covenants, reporting requirements and other customary requirements for similar credit facilities.

As of March 31, 2023, the interest rate on the JPM SPV Facility was 7.65%. The average interest rate for borrowings under the JPM SPV Facility was 7.65% and 3.12% per annum for the three months ended March 31, 2023 and 2022, respectively. As of March 31, 2023, MSC Income Fund was in compliance with all financial covenants of the JPM SPV Facility.

Series A Notes

Pursuant to a Master Note Purchase Agreement dated October 21, 2021 (the "Note Purchase Agreement"), MSC Income Fund issued \$7.5 million of 4.04% Series A Senior Notes due 2026 (the "Series A Notes") upon entering into the Note Purchase Agreement and an additional \$72.5 million on January 21, 2022. The Series A Notes bear a fixed interest rate of 4.04% per year and will mature on October 30, 2026, unless redeemed, purchased or prepaid prior to such date by the Company in accordance with their terms.

Interest on the Series A Notes is due semiannually on April 30 and October 30 each year, beginning on April 30, 2022. The Series A Notes may be redeemed in whole or in part at any time or from time to time at MSC Income Fund's option at par plus accrued interest to the prepayment date and, if applicable, a make-whole premium. In addition, MSC Income Fund is obligated to offer to prepay the Series A Notes at par plus accrued and unpaid interest up to, but excluding, the date of prepayment, if certain change in control events occur. In the event that a Below Investment Grade Event (as defined in the Note Purchase Agreement) occurs, the Series A Notes will bear interest at a fixed rate of 5.04% per year from the date of the occurrence of the Below Investment Grade Event to and until the date on which the Below Investment Grade Event ends. The Series A Notes are general unsecured obligations of MSIF that rank pari passu with all outstanding and future unsecured unsubordinated indebtedness issued by MSIF.

The Note Purchase Agreement also contains customary events of default with customary cure and notice periods, including, without limitation, nonpayment, incorrect representation in any material respect, breach of covenant, cross-default under other indebtedness of MSIF or subsidiary guarantors subject to a cure pass-through, certain judgments and orders and certain events of bankruptcy. As of March 31, 2023, MSC Income Fund was in compliance with all financial covenants of the Note Purchase Agreement.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

NOTE E — FINANCIAL HIGHLIGHTS

The following is a schedule of financial highlights of MSC Income Fund for the three months ended March 31, 2023 and 2022:

Per Share Data:	Three Months Ended March 31,	
	2023	2022
NAV at the beginning of the period	\$ 7.61	\$ 7.68
Net investment income(1)	0.18	0.16
Net realized gain (loss)(1)(2)	0.04	—
Net unrealized appreciation (depreciation)(1)(2)	(0.05)	0.04
Income tax benefit (provision)(1)(2)	(0.01)	—
Net increase in net assets resulting from operations(1)	0.16	0.20
Dividends paid from net investment income	(0.15)	(0.17)
Dividends paid from capital gains	(0.03)	—
Dividends paid or accrued(3)	(0.18)	(0.17)
Other(4)	—	0.01
NAV at the end of the period	\$ 7.59	\$ 7.72
Shares outstanding at the end of the period	80,150,887	79,870,636

(1) Based on weighted-average number of common shares outstanding for the period.

(2) Net realized gains or losses, net unrealized appreciation or depreciation, and income taxes can fluctuate significantly from period to period.

(3) Represents stockholder dividends paid or accrued for the period.

(4) Includes the impact of the different share amounts as a result of calculating certain per share data based on the weighted-average basic shares outstanding during the period and certain per share data based on the shares outstanding as of a period end or transaction date.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

	Three Months Ended March 31,	
	2023	2022
	(dollars in thousands)	
NAV at end of period	\$ 608,299	\$ 616,627
Average NAV	\$ 608,982	\$ 614,899
Average outstanding debt	\$ 474,438	\$ 499,112

Ratios to average NAV:

Ratio of total expenses, including income tax expense, to average NAV(1)(2)(3)(5)	2.97 %	1.82 %
Ratio of operating expenses to average NAV(2)(3)(5)	2.78 %	1.74 %
Ratio of operating expenses, excluding interest expense, to average NAV(2)(3)(5)	1.41 %	1.00 %
Ratio of net investment income to average NAV(2)(5)	2.32 %	2.06 %
Portfolio turnover ratio(2)	2.34 % 2.34 %	4.62 %
Total return based on change in NAV(2)(4)(5)	2.01 %	2.73 %

(1) Total expenses are the sum of operating expenses and net income tax provision or benefit. Net income tax provision or benefit includes the accrual of net deferred tax provision or benefit relating to the net unrealized appreciation or depreciation on portfolio investments held in the Taxable Subsidiaries and due to the change in the loss carryforwards, which are non-cash in nature and may vary significantly from period to period. MSC Income Fund is required to include net deferred tax provision or benefit in calculating its total expenses even though these net deferred taxes are not currently payable or receivable.

(2) Not annualized.

(3) Unless otherwise noted, operating expenses include interest, management fees and general and administrative expenses.

(4) Total return is calculated based on the change in NAV per share and stockholder distributions declared per share during the reporting period, divided by the NAV per share at the beginning of the period. The total return does not reflect the sales load from the sale of MSC Income Fund's common stock.

(5) Net of expense waivers of \$1.9 million and \$1.0 million for the three months ended March 31, 2023 and March 31, 2022, respectively. Excluding these expense waivers, the expense and income ratios are as follows:

	Three Months Ended March 31,	
	2023	2022
Ratio of total expenses, including income tax expense, to average NAV(1)(2)(3)	3.29 %	1.99 %
Ratio of operating expenses to average NAV(2)(3)	3.10 %	1.91 %
Ratio of operating expenses excluding interest expense to average NAV(2)(3)	1.73 %	1.17 %
Ratio of net investment income to average NAV(2)	2.01 %	1.90 %
Total return based on change in NAV(2)(4)	1.70 %	2.48 %

See footnotes (1), (2), (3) and (4) immediately prior to this table.

NOTE F — DIVIDENDS, DISTRIBUTIONS AND TAXABLE INCOME

MSC Income Fund currently pays quarterly dividends to its stockholders. Future quarterly dividends, if any, will be determined by its Board of Directors on a quarterly basis. MSC Income Fund paid or accrued dividends to its common

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

stockholders of \$14.0 million, or \$0.175 per share, during the three months ended March 31, 2023, compared to \$13.2 million, or \$0.165 per share, during the three months ended March 31, 2022.

MSIF has elected to be treated for U.S. federal income tax purposes as a RIC. MSIF's taxable income includes the taxable income generated by MSIF and certain of its subsidiaries, including the Structured Subsidiaries, which are treated as disregarded entities for tax purposes. As a RIC, MSIF generally will not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that MSIF distributes to its stockholders. MSIF must generally distribute at least 90% of its "investment company taxable income" (which is generally its net ordinary taxable income and realized net short-term capital gains in excess of realized net long-term capital losses) and 90% of its tax-exempt income to maintain its RIC status (pass-through tax treatment for amounts distributed). As part of maintaining RIC status, undistributed taxable income (subject to a 4% non-deductible U.S. federal excise tax) pertaining to a given fiscal year may be distributed up to twelve months subsequent to the end of that fiscal year, provided such dividends are declared on or prior to the later of (i) filing of the U.S. federal income tax return for the applicable fiscal year or (ii) the fifteenth day of the ninth month following the close of the year in which such taxable income was generated.

The determination of the tax attributes for MSC Income Fund's distributions is made annually, based upon its taxable income for the full year and distributions paid for the full year. Therefore, a determination made on an interim basis may not be representative of the actual tax attributes of distributions for a full year. Ordinary dividend distributions from a RIC do not qualify for the 20% maximum tax rate (plus a 3.8% Medicare surtax, if applicable) on dividend income from domestic corporations and qualified foreign corporations, except to the extent that the RIC received the income in the form of qualifying dividends from domestic corporations and qualified foreign corporations. The tax attributes for distributions will generally include both ordinary income and qualified dividends, but may also include either one or both of capital gains and return of capital.

Listed below is a reconciliation of "Net increase in net assets resulting from operations" to taxable income and to total distributions declared to common stockholders for the three months ended March 31, 2023 and 2022.

	Three Months Ended March 31,	
	2023	2022
	(estimated, dollars in thousands)	
Net increase in net assets resulting from operations	\$ 12,231	\$ 16,213
Net unrealized (appreciation) depreciation	4,139	(3,731)
Income tax provision	1,170	464
Pre-tax book income not consolidated for tax purposes	(2,011)	(2,592)
Book income and tax income differences, including debt origination, structuring fees, dividends, realized gains and changes in estimates	(3,455)	(227)
Estimated taxable income (1)	12,074	10,127
Taxable income earned in prior year and carried forward for distribution in current year	20,674	23,276
Taxable income earned prior to period end and carried forward for distribution next period	(32,748)	(33,403)
Dividend accrued as of period end and paid in the following period	14,026	13,178
Taxable income earned to be carried forward	(18,722)	(20,225)
Total distributions accrued or paid to common stockholders	\$ 14,026	\$ 13,178

(1) MSIF's taxable income for each period is an estimate and will not be finally determined until MSIF files its tax return for each year. Therefore, the final taxable income, and the taxable income earned in each period and carried forward for distribution in the following period, may be different than this estimate.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

The Taxable Subsidiaries primarily hold certain equity investments for MSC Income Fund. The Taxable Subsidiaries permit MSC Income Fund to hold equity investments in portfolio companies which are “pass-through” entities for tax purposes and to continue to comply with the “source-of-income” requirements contained in the RIC tax provisions of the Code. The Taxable Subsidiaries are consolidated with MSIF for U.S. GAAP financial reporting purposes, and the portfolio investments held by the Taxable Subsidiaries are included in MSC Income Fund’s consolidated financial statements as portfolio investments and recorded at fair value. The Taxable Subsidiaries are not consolidated with MSIF for income tax purposes and may generate income tax expense, or benefit, and tax assets and liabilities, as a result of their ownership of certain portfolio investments. The taxable income, or loss, of the Taxable Subsidiaries may differ from their book income, or loss, due to temporary book and tax timing differences and permanent differences. The Taxable Subsidiaries are each taxed at corporate income tax rates based on their taxable income. The income tax expense, or benefit, if any, and the related tax assets and liabilities, of the Taxable Subsidiaries are reflected in MSC Income Fund’s consolidated financial statements.

The income tax expense for MSC Income Fund is generally composed of (i) deferred tax expense, which is primarily the result of the net activity relating to the portfolio investments held in the Taxable Subsidiaries, including changes in loss carryforwards, changes in net unrealized appreciation or depreciation, changes in valuation allowance and other temporary book tax differences, and (ii) current tax expense, which is primarily the result of current U.S. federal income and state taxes and excise taxes on MSC Income Fund’s estimated undistributed taxable income. The income tax expense, or benefit, and the related tax assets and liabilities generated by the Taxable Subsidiaries, if any, are reflected in MSC Income Fund’s Consolidated Statements of Operations. MSC Income Fund’s provision for income taxes was comprised of the following for the three months ended March 31, 2023 and 2022:

	Three Months Ended March 31,	
	2023	2022
	(dollars in thousands)	
Current tax expense:		
Federal	\$ 22	\$ 8
State	170	147
Excise	118	188
Total current tax expense	<u>310</u>	<u>343</u>
Deferred tax expense:		
Federal	641	115
State	219	6
Total deferred tax expense	<u>860</u>	<u>121</u>
Total income tax provision	<u>\$ 1,170</u>	<u>\$ 464</u>

The net deferred tax liability at March 31, 2023 and December 31, 2022 was \$1.2 million and \$0.4 million, respectively, with the change primarily related to changes in net unrealized appreciation or depreciation, changes in loss carryforwards and other temporary book-tax differences relating to portfolio investments held by the Taxable Subsidiaries.

At March 31, 2023, for U.S. federal income tax purposes, the Taxable Subsidiaries had net operating loss carryforwards generated in 2020 and future periods that are not subject to expiration. The net operating losses will carryforward indefinitely until utilized. The net capital loss carryforwards of MSC Income Fund, if not utilized, will expire in various taxable years 2023 through 2027. Additionally, the Taxable Subsidiaries have interest expense limitation carryforwards which have an indefinite carryforward period.

NOTE G — SHARE REPURCHASE PROGRAM

Due to the impacts of the COVID-19 pandemic, MSC Income Fund’s Board of Directors determined that it was in the best interest of the Company to suspend its share repurchase program from March 31, 2020 to March 8, 2021 in order

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

to preserve financial flexibility and liquidity. On March 8, 2021, MSC Income Fund announced that the Board of Directors approved the reinstatement of the share repurchase program.

Under the terms of the reinstated share repurchase program, MSC Income Fund offers to purchase shares at the NAV per share on the repurchase date. The amount of shares of MSC Income Fund's common stock to be repurchased during any calendar quarter may be equal to the lesser of (i) the number of shares of common stock MSC Income Fund could repurchase with the proceeds it received from the issuance of common stock under MSC Income Fund's dividend reinvestment plan or (ii) 2.5% of the weighted-average number of shares of common stock outstanding in the prior four calendar quarters. Upon resuming making offers to repurchase shares pursuant to the share repurchase program in April 2021, MSC Income Fund has limited repurchase offers to the number of shares of common stock it can repurchase with 90% of the cash retained as a result of issuances of common stock under MSC Income Fund's dividend reinvestment plan.

At the discretion of the Board of Directors, MSC Income Fund may also use cash on hand, cash available from borrowings and cash from the sale of investments as of the end of the applicable period to repurchase shares. MSC Income Fund's Board of Directors may amend, suspend or terminate the share repurchase program upon 30 days' notice. Since inception of its share repurchase program, MSC Income Fund has funded the repurchase of \$133.0 million in shares of common stock as of March 31, 2023. For the three months ended March 31, 2023 and 2022, MSC Income Fund funded \$4.0 million and \$3.8 million, respectively, for shares of its common stock tendered for repurchase under the plan.

NOTE H — DIVIDEND REINVESTMENT PLAN

MSC Income Fund's dividend reinvestment plan (the "DRIP") provides for the reinvestment of dividends on behalf of stockholders. As a result, if MSC Income Fund declares a cash dividend, stockholders who have "opted in" to the DRIP will have their cash dividend automatically reinvested into additional shares of MSC Income Fund common stock. The number of shares of common stock to be issued to a stockholder under the DRIP shall be determined by dividing the total dollar amount of the distribution payable to such stockholder by a price per share of common stock determined by MSC Income Fund's Board of Directors or a committee thereof, in its sole discretion, that is (i) not less than the NAV per share of common stock determined in good faith by the Board of Directors or a committee thereof, in its sole discretion, within 48 hours prior to the payment of the distribution and (ii) not more than 2.5% greater than the NAV per share as of such date.

Summarized DRIP information for the three months ended March 31, 2023 and 2022 is as follows:

	Three Months Ended March 31,	
	2023	2022
	(dollars in thousands)	
DRIP participation	\$ 4,414	\$ 4,212
Shares issued for DRIP	564,377	533,062

NOTE I — COMMITMENTS AND CONTINGENCIES

At March 31, 2023, the Company had the following outstanding commitments (in thousands):

<i>Investments with equity capital commitments that have not yet funded:</i>	Amount
Brightwood Capital Fund III, LP	\$ 100
Freeport First Lien Loan Fund III LP	6,733
HPEP 3, L.P.	1,555
Total Equity Commitments	\$ 8,388

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

Investments with commitments to fund revolving loans that have not been fully drawn or term loans with additional commitments not yet funded:

Winter Services LLC	\$	5,556
Infolinks Media Buyco, LLC		3,150
NinjaTrader, LLC		3,078
HEADLANDS OP-CO LLC		3,000
SI East, LLC		2,500
Bluestem Brands, Inc.		2,309
Mako Steel, LP		2,028
MB2 Dental Solutions, LLC		2,023
Roof Opco, LLC		1,944
American Health Staffing Group, Inc.		1,667
IG Parent Corporation		1,667
KMS, LLC		1,357
ArborWorks, LLC		1,242
Dalton US Inc.		1,216
Bettercloud, Inc.		1,216
GRT Rubber Technologies LLC		1,175
Burning Glass Intermediate Holding Company, Inc.		1,033
SPAU Holdings, LLC		1,000
NWN Corporation		930
RA Outdoors LLC		864
Classic H&G Holdco, LLC		860
CaseWorthy, Inc.		800
VVS Holdco, LLC		800
Jackmont Hospitality, Inc.		800
DTE Enterprises, LLC		750
Direct Marketing Solutions, Inc.		750
Evergreen North America Acquisitions, LLC		710
JTI Electrical & Mechanical, LLC		702
West Star Aviation Acquisition, LLC		667
Centre Technologies Holdings, LLC		600
Xenon Arc, Inc.		563
PTL US Bidco, Inc		531
Engineering Research & Consulting, LLC		517
Robbins Bros. Jewelry, Inc.		500
Wall Street Prep, Inc.		500
The Affiliati Network, LLC		500
Watterson Brands, LLC		471
MonitorUS Holding, LLC		470
Microbe Formulas, LLC		434
Paragon Healthcare, Inc.		429
Trantech Radiator Topco, LLC		400
Chamberlin Holding LLC		400

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)****(Unaudited)**

Colonial Electric Company LLC	400
Channel Partners Intermediateco, LLC	400
AMEREQUIP LLC	391
South Coast Terminals Holdings, LLC	381
Cody Pools, Inc.	354
Invincible Boat Company, LLC	353
Batjer TopCo, LLC	300
Gamber-Johnson Holdings, LLC	300
Archer Systems, LLC	232
AVEX Aviation Holdings, LLC	205
MetalForming AcquireCo, LLC	205
ATS Operating, LLC	200
Mystic Logistics Holdings, LLC	200
Johnson Downie Opco, LLC	200
Orttech Holdings, LLC	200
Career Team Holdings, LLC	200
AB Centers Acquisition Corporation	129
Elgin AcquireCo, LLC	123
Gulf Publishing Holdings, LLC	100
Flame King Holdings, LLC	100
Clad-Rex Steel, LLC	100
AAC Holdings, Inc.	85
Adams Publishing Group, LLC	47
Acumera, Inc.	5
Interface Security Systems, L.L.C	1
	<hr/>
Total Loan Commitments	\$ 57,320
	<hr/>
Total Commitments	\$ 65,708

MSC Income Fund will fund its unfunded commitments from the same sources it uses to fund its investment commitments that are funded at the time they are made (which are typically through existing cash and cash equivalents and borrowings under the Credit Facilities). MSC Income Fund follows a process to manage its liquidity and ensure that it has available capital to fund its unfunded commitments as necessary. MSC Income Fund had no unrealized appreciation or depreciation on the outstanding unfunded commitments as of March 31, 2023.

MSC Income Fund may, from time to time, be involved in litigation arising out of its operations in the normal course of business or otherwise. Furthermore, third parties may try to impose liability on MSC Income Fund in connection with the activities of its portfolio companies. While the outcome of any current legal proceedings cannot at this time be predicted with certainty, MSC Income Fund does not expect any current matters will materially affect its financial condition or results of operations; however, there can be no assurance whether any pending legal proceedings will have a material adverse effect on MSC Income Fund's financial condition or results of operations in any future reporting period.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

NOTE J — RELATED PARTY TRANSACTIONS

1. Advisory Agreements and Conditional Expense Reimbursement Waivers

On October 30, 2020, MSC Income Fund entered into the Investment Advisory Agreement with the Adviser, which states that the Adviser will oversee the management of MSC Income Fund's activities and is responsible for making investment decisions with respect to, and providing day-to-day management and administration of, MSC Income Fund's Investment Portfolio.

Pursuant to the Investment Advisory Agreement, MSC Income Fund pays the Adviser a base management fee and incentive fees as compensation for the services described above. The base management fee is calculated at an annual rate of 1.75% of MSC Income Fund's average gross assets. The term "gross assets" means total assets of MSC Income Fund as disclosed on MSC Income Fund's Consolidated Balance Sheets. "Average gross assets" are calculated based on MSC Income Fund's gross assets at the end of the two most recently completed calendar quarters. The base management fee is payable quarterly in arrears. The base management fee is expensed as incurred.

The incentive fee under the Investment Advisory Agreement consists of two parts. The first part, referred to as the subordinated incentive fee on income, is calculated and payable quarterly in arrears based on Pre-Incentive Fee Net Investment Income (as defined below) for the immediately preceding quarter. The subordinated incentive fee on income is equal to 20.0% of MSC Income Fund's Pre-Incentive Fee Net Investment Income for the immediately preceding quarter, expressed as a quarterly rate of return on adjusted capital at the beginning of the most recently completed calendar quarter, exceeding 1.875% (or 7.5% annualized), subject to a "catch up" feature (as described below).

For this purpose, Pre-Incentive Fee Net Investment Income means interest income, dividend income and any other income (including any other fees such as commitment, origination, structuring, diligence and consulting fees or other fees that MSC Income Fund receives from portfolio companies) accrued during the calendar quarter, minus MSC Income Fund's operating expenses for the quarter (including the management fee, expenses payable under any proposed administration agreement and any interest expense and dividends paid on any issued and outstanding preferred stock, but excluding taxes and the incentive fee). Pre-Incentive Fee Net Investment Income includes, in the case of investments with a deferred interest feature (such as original issue discount debt instruments and PIK interest and zero coupon securities), accrued income that MSC Income Fund has not yet received in cash. Pre-Incentive Fee Net Investment Income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation. For purposes of this fee, adjusted capital means cumulative gross proceeds generated from sales of MSC Income Fund's common stock (including proceeds from MSC Income Fund's DRIP) reduced for non-liquidating distributions, other than distributions of profits, paid to MSC Income Fund's stockholders and amounts paid for share repurchases pursuant to MSC Income Fund's share repurchase program. The subordinated incentive fee on income is expensed in the quarter in which it is incurred.

The calculation of the subordinated incentive fee on income for each quarter is as follows:

- No subordinated incentive fee on income shall be payable to the Adviser in any calendar quarter in which MSC Income Fund's Pre-Incentive Fee Net Investment Income does not exceed the hurdle rate of 1.875% (or 7.5% annualized) on adjusted capital;
- 100% of MSC Income Fund's Pre-Incentive Fee Net Investment Income, if any, that exceeds the hurdle rate but is less than or equal to 2.34375% in any calendar quarter (9.375% annualized) shall be payable to the Adviser. This portion of the subordinated incentive fee on income is referred to as the "catch up" and is intended to provide the Adviser with an incentive fee of 20.0% on all of MSC Income Fund's Pre-Incentive Fee Net Investment Income as if the hurdle rate did not apply when the Pre-Incentive Fee Net Investment Income exceeds 2.34375% (9.375% annualized) in any calendar quarter; and
- For any quarter in which MSC Income Fund's Pre-Incentive Fee Net Investment Income exceeds 2.34375% (9.375% annualized), the subordinated incentive fee on income shall equal 20.0% of the amount of MSC Income Fund's Pre-Incentive Fee Net Investment Income, as the hurdle rate and catch-up will have been achieved.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

The second part of the incentive fee, referred to as the incentive fee on capital gains, is an incentive fee on realized capital gains earned from the portfolio of MSC Income Fund and is determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement). This fee equals 20.0% of MSC Income Fund's incentive fee capital gains, which equals MSC Income Fund's realized capital gains on a cumulative basis from inception, calculated as of the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gain incentive fees. At the end of each reporting period, MSC Income Fund estimates the incentive fee on capital gains and accrues the fee based on a hypothetical liquidation of its portfolio. Therefore, the accrual includes both net realized gains and net unrealized gains (the net unrealized difference between the fair value and the par value of its portfolio), if any. The incentive fee accrued pertaining to the unrealized gain is neither earned nor payable to the Adviser until such time it is realized.

For the three months ended March 31, 2023 and 2022, MSC Income Fund incurred base management fees of \$9.9 million and \$5.0 million, respectively. For the three months ended March 31, 2023, MSC Income Fund incurred subordinated incentive fees on income of \$2.7 million. MSC Income Fund did not incur any subordinated incentive fees on income for the three months ended March 31, 2022. For the three months ended March 31, 2023 and 2022, MSC Income Fund did not incur any capital gains incentive fees.

Pursuant to the Investment Advisory Agreement, MSC Income Fund is required to pay or reimburse the Adviser for administrative services expenses, which include all costs and expenses related to MSC Income Fund's day-to-day administration and management not related to advisory services, whether such administrative services were performed by a third-party service provider or the Adviser or its affiliates (to the extent performed by the Adviser or its affiliates, the "Internal Administrative Services"). Internal Administrative Services include, but are not limited to, the cost of an Adviser's personnel performing accounting and compliance functions and other administrative services on behalf of MSC Income Fund.

The Adviser waived reimbursement of all Internal Administrative Services expenses from October 30, 2020 through December 31, 2021. On January 1, 2022, the Adviser assumed responsibility of certain administrative services that were previously provided for MSC Income Fund by a third-party sub-administrator. After December 31, 2021, the Adviser continued to waive reimbursement of all Internal Administrative Services expenses, except for the cost of the services previously provided by the sub-administrator. For the three months ended March 31, 2023 and 2022, MSC Income Fund incurred Internal Administrative Services Expenses before expense waivers of \$2.0 million and \$1.2 million, respectively. For the three months ended March 31, 2023 and 2022, the Adviser waived the reimbursements of Internal Administrative Services expenses of \$1.9 million and \$1.0 million, respectively. Waived Internal Administrative Services expenses are permanently waived and are not subject to future reimbursement.

2. Offering Costs

In accordance with MSC Income Fund's previous investment advisory agreement with the previous investment adviser ("HMS Adviser"), MSC Income Fund reimbursed HMS Adviser for any offering costs that were paid on MSC Income Fund's behalf, which consisted of, among other costs, actual legal, accounting, bona fide out-of-pocket itemized and detailed due diligence costs, printing, filing fees, transfer agent costs, postage, escrow fees, advertising and sales literature and other costs incurred in connection with the offering of MSC Income Fund's common stock, including through MSC Income Fund's DRIP. HMS Adviser was responsible for the payment of offering costs to the extent they exceeded 1.5% of the aggregate gross stock offering proceeds. Pursuant to the transaction whereby the Adviser became the investment adviser to MSC Income Fund, HMS Adviser agreed to permanently waive reimbursement of organizational and offering expenses except for \$0.6 million which remained payable to HMS Adviser and would be reimbursed as part of future issuances of common stock by MSC Income Fund. For the three months ended March 31, 2023, MSC Income Fund reimbursed HMS Adviser \$0.1 million in connection with stock issuances. For the three months ended March 31, 2022, MSC Income Fund reimbursed HMS Adviser \$0.1 million in connection with stock issuances. As of March 31, 2023, \$0.1 million of MSC Income Fund's reimbursement obligation to HMS Adviser for organizational and offering expenses remained outstanding.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

3. Indemnification

The Investment Advisory Agreement provides that the Adviser and its officers, directors, controlling persons and any other person or entity affiliated with it acting as MSC Income Fund's agent are entitled to indemnification (including reasonable attorneys' fees and amounts reasonably paid in settlement) for any liability or loss suffered by such indemnitee, and such indemnitee will be held harmless for any loss or liability suffered by MSC Income Fund, if (i) the indemnitee has determined, in good faith, that the course of conduct which caused the loss or liability was in MSC Income Fund's best interests, (ii) the indemnitee was acting on behalf of or performing services for MSC Income Fund, (iii) the liability or loss suffered was not the result of negligence, willful malfeasance, bad faith or misconduct by the indemnitee or an affiliate thereof acting as MSC Income Fund's agent and (iv) the indemnification or agreement to hold the indemnitee harmless is only recoverable out of MSC Income Fund's net assets and not from MSC Income Fund's stockholders.

4. Co-Investment

In the ordinary course of business, MSC Income Fund enters into transactions with other parties that may be considered related party transactions. MSC Income Fund has implemented certain policies and procedures, both written and unwritten, to ensure that it does not engage in any prohibited transactions with any persons affiliated with MSC Income Fund. If such affiliations are found to exist, MSC Income Fund seeks the Board of Directors and/or appropriate Board of Directors committee review and approval for such transactions and otherwise comply with, or seek, orders for exemptive relief from the SEC, as appropriate.

MSC Income Fund has received an exemptive order from the SEC permitting co-investments among MSC Income Fund, Main Street and other funds and clients advised by the Adviser in certain negotiated transactions where co-investing would otherwise be prohibited under the 1940 Act. MSC Income Fund has made co-investments, and in the future intends to continue to make co-investments with Main Street and other funds and clients advised by the Adviser, in accordance with the conditions of the order. The order requires, among other things, that the Adviser and Main Street consider whether each such investment opportunity is appropriate for MSC Income Fund, Main Street and the other funds and clients advised by the Adviser, as applicable, and if it is appropriate, to propose an allocation of the investment opportunity between such parties. Because the Adviser is wholly-owned by Main Street and is not managing MSC Income Fund's investment activities as its sole activity, this may provide the Adviser an incentive to allocate opportunities to other participating funds and clients instead of MSC Income Fund. However, the Adviser has policies and procedures in place to manage this conflict, including oversight by the independent members of the Board of Directors. Additional information regarding the operation of the co-investment program is set forth in the order granting exemptive relief, which may be reviewed on the SEC's website at www.sec.gov. In addition to the co-investment program described above, MSC Income Fund also co-invests in syndicated deals and other transactions where price is the only negotiated point by MSC Income Fund and its affiliates.

NOTE K — SUBSEQUENT EVENTS

On May 1, 2023, the Company sold 255,754 shares of its common stock to Main Street at \$7.82 per share, the price at which the Company issued new shares in connection with reinvestments of the May 1, 2023 dividend pursuant to the DRIP, for total proceeds to the Company of \$2.0 million. The issuance and sale were made pursuant to the exemption from registration under Section 4(a)(2) of the Securities Act of 1933, as amended, and was unanimously approved by the Board, including each director who is not an "interested person," as such term is defined in Section 2(a)(19) of the 1940 Act, of the Company or the Adviser.

On May 1, 2023, the Company repurchased 558,444 shares of its common stock validly tendered and not withdrawn on the terms set forth in the tender offer statement on Schedule TO and Offer to Purchase filed with the SEC on May 4, 2023. The shares were repurchased at a price of \$7.67 per share, which was the Company's NAV per share as of May 1, 2023, for an aggregate purchase price of \$4.3 million (an amount equal to 90% of the proceeds the Company received from the issuance of shares under the Company's DRIP from the May 1, 2023 dividend payment).

On May 11, 2023, the Board of Directors declared a quarterly cash dividend of \$0.175 per share payable August 1, 2023 to stockholders of record as of June 30, 2023.

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates
March 31, 2023
(dollars in thousands)
(unaudited)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)(11)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2022 Fair Value	Gross Additions(3)	Gross Reductions(4)	March 31, 2023 Fair Value (13)
Control Investments													
GRT Rubber Technologies LLC	10.66%	L+	6.00%		Secured Debt (12)	(8)	\$ —	\$ 1	\$ 13	\$ 330	\$ 145	\$ —	\$ 475
	12.66%	L+	8.00%		Secured Debt	(8)	—	(12)	634	19,943	13	12	19,944
					Member Units	(8)	—	—	21	21,890	—	—	21,890
Harris Preston Fund Investments					LP Interests (2717 MH, L.P.)	(8)	631	(675)	141	7,552	1,031	1,574	7,009
Copper Trail Fund Investments					LP Interests (CTMH, LP)	(9)	—	—	—	588	—	—	588
Other													
Amounts related to investments transferred to or from other 1940 Act classification during the period													
							—	—	—	—	—	—	—
Total Control Investments							\$ 631	\$ (686)	\$ 809	\$ 50,303	\$ 1,189	\$ 1,586	\$ 49,906
Affiliate Investments													
AFG Capital Group, LLC					Preferred Member Units	(8)	\$ —	\$ —	\$ —	\$ 2,350	\$ —	\$ —	\$ 2,350
ASK (Analytical Systems Keco Holdings, LLC)	14.75%	L+	10.00%		Secured Debt	(8)	—	—	1	(2)	—	—	(2)
	14.13%	L+	10.00%		Secured Debt	(8)	—	—	47	1,135	5	18	1,122
					Preferred Member Units	(8)	—	—	—	—	—	—	—
					Preferred Member Units	(8)	—	20	—	880	20	—	900
					Warrants	(8)	—	—	—	—	—	—	—
ATX Networks Corp.		L+	7.50%	10.00%	Secured Debt	(6)	—	(102)	682	6,368	545	6,913	—
					Unsecured Debt	(6)	—	(276)	1,135	2,614	1,135	3,749	—
					Common Stock	(6)	3,178	(3,290)	—	3,290	3,178	6,468	—
Barfly Ventures, LLC					Member Units	(5)	—	(93)	—	1,107	—	94	1,013
Bajjer TopCo, LLC	11.00%				Secured Debt	(8)	—	—	—	(1)	—	—	(1)
					Secured Debt	(8)	—	—	36	1,205	2	50	1,157
					Preferred Stock	(8)	—	225	19	455	225	—	680
Brewer Crane Holdings, LLC	14.66%	L+	10.00%		Secured Debt	(9)	—	—	53	1,491	—	31	1,460
					Preferred Member Units	(9)	—	(130)	8	1,770	—	130	1,640
Centre Technologies Holdings, LLC	13.75%	L+	9.00%		Secured Debt (12)	(8)	—	—	1	—	—	—	—
		L+	9.00%		Secured Debt	(8)	—	—	130	3,731	2	—	3,733
					Preferred Member Units	(8)	—	150	8	2,170	150	—	2,320
Chamberlin Holding LLC	12.86%	SF+	6.00%		Secured Debt (12)	(8)	—	—	1	—	—	—	—
		SF+	8.00%		Secured Debt	(8)	—	(3)	137	4,236	3	3	4,236
					Member Units	(8)	—	(30)	71	5,728	—	28	5,700
					Member Units	(8)	—	30	6	678	30	—	708
Charps, LLC					Preferred Member Units	(5)	—	60	49	3,330	60	—	3,390
Clad-Rex Steel, LLC	13.79%	SF+	9.00%		Secured Debt (12)	(5)	—	—	—	—	—	—	—
	10.00%	SF+	9.00%		Secured Debt	(5)	—	—	89	2,620	—	120	2,500
					Secured Debt	(5)	—	—	7	260	—	2	258
					Member Units	(5)	—	(270)	13	2,060	—	270	1,790
					Member Units	(5)	—	55	—	152	55	—	207

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
March 31, 2023
(dollars in thousands)
(unaudited)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)(11)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2022 Fair Value	Gross Additions(3)	Gross Reductions(4)	March 31, 2023 Fair Value (13)
Cody Pools, Inc.	15.50%	L+	10.50%		Secured Debt (12)	(8)	—	2	11	273	3	80	196
	15.50%	L+	10.50%		Secured Debt	(8)	—	(7)	268	6,882	7	83	6,806
					Preferred Member Units	(8)	—	240	7	14,550	240	—	14,790
Colonial Electric Company LLC					Secured Debt (12)	(6)	—	—	—	—	—	—	—
	12.00%				Secured Debt	(6)	—	—	181	5,729	9	79	5,659
					Preferred Member Units	(6)	—	(240)	(318)	2,290	—	240	2,050
Datacom, LLC	7.50%				Secured Debt	(8)	—	—	—	25	25	—	50
	10.00%				Secured Debt	(8)	—	—	30	865	6	7	864
					Preferred Member Units	(8)	—	—	—	300	—	—	300
Digital Products Holdings LLC	14.75%	L+	10.00%		Secured Debt	(5)	—	—	144	3,878	5	82	3,801
					Preferred Member Units	(5)	—	—	13	2,459	—	—	2,459
Direct Marketing Solutions, Inc.					Secured Debt (12)	(9)	—	—	1	—	—	—	—
	14.00%				Secured Debt	(9)	—	(4)	189	5,352	4	84	5,272
					Preferred Stock	(9)	—	(130)	43	5,558	—	128	5,430
Flame King Holdings, LLC	11.25%	L+	6.50%		Secured Debt (12)	(9)	—	(1)	54	1,900	1	1	1,900
	13.75%	L+	9.00%		Secured Debt	(9)	—	(8)	188	5,300	8	8	5,300
					Preferred Equity	(9)	—	900	134	4,400	900	—	5,300
Freeport Financial Funds					LP Interests (Freeport First Lien Loan Fund III LP) (12)	(5)	—	—	134	5,848	—	536	5,312
Gamber-Johnson Holdings, LLC		SF+	8.50%		Secured Debt (12)	(5)	—	—	—	—	—	—	—
	11.50%	SF+	8.50%		Secured Debt	(5)	—	(17)	474	16,020	17	217	15,820
					Member Units	(5)	—	2,117	393	12,720	2,120	—	14,840
GFG Group, LLC.	9.00%				Secured Debt	(5)	—	(4)	68	2,836	4	4	2,836
					Preferred Member Units	(5)	—	110	10	1,790	110	—	1,900
Gulf Publishing Holdings, LLC		L+	9.50%		Secured Debt (12)	(8)	—	—	—	—	—	—	—
	12.50%				Secured Debt	(8)	—	—	19	571	—	—	571
					Preferred Equity	(8)	—	—	—	950	—	—	950
					Member Units	(8)	—	—	—	—	—	—	—
HPEP 3, L.P.				LP Interests (HPEP 3, L.P.)	(8)	—	113	—	4,331	113	508	3,936	
Kickhafer Manufacturing Company, LLC	12.00%				Secured Debt	(5)	—	—	199	5,093	53	—	5,146
	9.00%				Secured Debt	(5)	—	—	22	961	—	3	958
					Preferred Equity	(5)	—	—	—	1,800	—	—	1,800
					Member Units	(5)	—	(18)	7	713	—	18	695
Market Force Information, LLC	12.00%		12.00%		Secured Debt	(9)	—	(403)	—	403	—	403	—
					Member Units	(9)	—	—	—	—	—	—	—
MH Corbin Holding LLC	13.00%				Secured Debt	(5)	—	238	49	1,137	238	29	1,346
					Preferred Member Units	(5)	—	—	—	—	—	—	—
					Preferred Member Units	(5)	—	—	—	—	—	—	—
Mystic Logistics Holdings, LLC					Secured Debt (12)	(6)	—	—	—	—	—	—	—
	10.00%				Secured Debt	(6)	—	—	36	1,436	—	—	1,436
					Common Stock	(6)	—	545	248	5,708	545	—	6,253
NexRev LLC					Secured Debt	(8)	—	—	—	—	—	—	—
	11.00%				Secured Debt	(8)	—	249	81	2,119	255	157	2,217
					Preferred Member Units	(8)	—	470	33	280	470	—	750

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
March 31, 2023
(dollars in thousands)
(unaudited)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)(11)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2022 Fair Value	Gross Additions(3)	Gross Reductions(4)	March 31, 2023 Fair Value (13)
NuStep, LLC	11.25%	L+	6.50%		Secured Debt	(5)	—	—	31	1,100	—	—	1,100
	12.00%				Secured Debt	(5)	—	—	139	4,603	1	—	4,604
					Preferred Member Units	(5)	—	(100)	—	2,010	—	100	1,910
					Preferred Member Units	(5)	—	—	—	1,290	—	—	1,290
Oneliance, LLC	15.75%	L+	11.00%		Secured Debt	(7)	—	—	56	1,380	2	21	1,361
					Preferred Stock	(7)	—	—	—	264	—	—	264
Orttech Holdings, LLC		L+	11.00%		Secured Debt (12)	(5)	—	—	—	(2)	—	—	(2)
	15.75%	L+	11.00%		Secured Debt	(5)	—	—	236	5,814	9	200	5,623
Robbins Bros. Jewelry, Inc.					Preferred Stock	(5)	—	430	67	2,940	430	—	3,370
	12.50%				Secured Debt (12)	(9)	—	—	1	(8)	1	—	(7)
					Secured Debt	(9)	—	—	127	3,902	4	24	3,882
SI East, LLC					Preferred Equity	(9)	—	(550)	—	1,650	—	550	1,100
	9.50%				Secured Debt (12)	(7)	—	—	2	—	—	—	—
					Secured Debt	(7)	—	(55)	755	29,929	55	1,805	28,179
Sonic Systems International, LLC	12.26%	L+	7.50%		Preferred Member Units	(7)	—	—	114	4,550	—	—	4,550
					Secured Debt	(8)	—	(19)	583	18,425	19	19	18,425
Student Resource Center, LLC	13.69%	L+	8.50%		Common Stock	(8)	—	(60)	13	1,490	—	60	1,430
					Secured Debt	(6)	—	—	118	5,063	—	—	5,063
Tedder Industries, LLC					Preferred Equity	(6)	—	—	—	—	—	—	—
	12.00%				Secured Debt	(9)	—	—	14	460	—	—	460
	12.00%				Secured Debt	(9)	—	—	115	3,780	1	—	3,781
					Preferred Member Units	(9)	—	(202)	—	1,920	—	202	1,718
Trantech Radiator Topco, LLC					Preferred Member Units	(9)	—	28	—	—	83	—	83
	12.00%				Secured Debt (12)	(7)	—	(1)	1	—	1	1	—
					Secured Debt	(7)	—	(3)	63	1,980	3	3	1,980
Volusion, LLC					Common Stock	(7)	—	380	7	1,950	380	—	2,330
	10.00%				Secured Debt	(8)	—	—	—	—	900	—	900
					Secured Debt	(8)	(1,366)	780	71	6,392	—	6,392	—
					Unsecured Convertible Debt	(8)	(175)	175	—	—	175	175	—
					Preferred Member Units	(8)	—	—	—	—	—	—	—
					Preferred Member Units	(8)	—	—	—	—	4,906	—	4,906
					Preferred Member Units	(8)	—	—	—	—	—	—	—
VVS Holdco, LLC		L+	6.00%		Common Stock	(8)	—	(1,104)	—	—	1,104	1,104	—
					Warrants	(8)	—	1,104	—	—	—	—	—
	11.50%				Secured Debt (12)	(5)	—	—	2	(5)	1	1	(5)
				Secured Debt	(5)	—	—	230	7,421	11	—	7,432	
				Preferred Equity	(5)	—	20	9	2,990	20	—	3,010	

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
March 31, 2023
(dollars in thousands)
(unaudited)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)(11)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2022 Fair Value	Gross Additions(3)	Gross Reductions(4)	March 31, 2023 Fair Value (13)
Other													
Amounts related to investments transferred to or from other 1940 Act classification during the period													
							—	—	(71)	(6,392)	(175)	(6,567)	—
Total Affiliate investments							<u>\$ 1,637</u>	<u>\$ 1,321</u>	<u>\$ 7,894</u>	<u>\$ 277,000</u>	<u>\$ 18,474</u>	<u>\$ 24,633</u>	<u>\$ 270,841</u>

- (1) The principal amount, the ownership detail for equity investments and if the investment is income producing is included in the Consolidated Schedule of Investments included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.
- (2) Represents the total amount of interest, fees and dividends credited to income for the portion of the period for which an investment was included in Control or Affiliate categories, respectively. For investments transferred between Control and Affiliate categories during the period, any income or investment balances related to the time period it was in the category other than the one shown at period end is included in "Amounts related to investments transferred from other 1940 Act classifications during the period."
- (3) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, follow-on investments and accrued PIK interest, and the exchange of one or more existing securities for one or more new securities. Gross additions also include net increases in unrealized appreciation or net decreases in net unrealized depreciation as well as the movement of an existing portfolio company into this category and out of a different category.
- (4) Gross reductions include decreases in the cost basis of investments resulting from principal repayments or sales and the exchange of one or more existing securities for one or more new securities. Gross reductions also include net increases in net unrealized depreciation or net decreases in unrealized appreciation as well as the movement of an existing portfolio company out of this category and into a different category.
- (5) Portfolio company located in the Midwest region as determined by location of the corporate headquarters. The fair value as of March 31, 2023 for affiliate investments located in this region was \$94,403. This represented 15.5% of net assets as of March 31, 2023.
- (6) Portfolio company located in the Northeast region as determined by location of the corporate headquarters. The fair value as of March 31, 2023 for affiliate investments located in this region was \$20,461. This represented 3.4% of net assets as of March 31, 2023.
- (7) Portfolio company located in the Southeast region as determined by location of the corporate headquarters. The fair value as of March 31, 2023 for affiliate investments located in this region was \$38,664. This represented 6.4% of net assets as of March 31, 2023.
- (8) Portfolio company located in the Southwest region as determined by location of the corporate headquarters. The fair value as of March 31, 2023 for control investments located in this region was \$49,318. This represented 8.1% of net assets as of March 31, 2023. The fair value as of March 31, 2023 for affiliate investments located in this region was \$79,994. This represented 13.2% of net assets as of March 31, 2023.

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
March 31, 2023
(dollars in thousands)
(unaudited)

- (9) Portfolio company located in the West region as determined by location of the corporate headquarters. The fair value as of March 31, 2023 for control investments located in this region was \$588. This represented 0.1% of net assets as of March 31, 2023. The fair value as of March 31, 2023 for affiliate investments located in this region was \$37,319. This represented 6.1% of net assets as of March 31, 2023.
- (10) All of the Company's portfolio investments are generally subject to restrictions on resale as "restricted securities," unless otherwise noted.
- (11) This schedule should be read in conjunction with the Consolidated Schedule of Investments and Notes to the Consolidated Financial Statements included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q. Supplemental information can be located within the Consolidated Schedule of Investments including end of period interest rate, preferred dividend rate, maturity date, investments not paid currently in cash and investments whose value was determined using significant unobservable inputs.
- (12) Investment has an unfunded commitment as of March 31, 2023 (see Note I). The fair value of the investment includes the impact of the fair value of any unfunded commitments.
- (13) Negative fair value is the result of the capitalized discount being greater than the principal amount outstanding on the loan.

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates
March 31, 2022
(dollars in thousands)
(unaudited)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2021 Fair Value	Gross Additions(3)	Gross Reductions(4)	March 31, 2022 Fair Value
Control Investments													
GRT Rubber Technologies LLC	8.23%	L+	8.00%		Secured Debt Member Units	(8)	\$ —	\$ (12)	\$ 401	\$ 19,152	\$ 1	\$ —	\$ 19,153
						(8)	—	—	600	22,750	—	—	22,750
Harris Preston Fund Investments					LP Interests (2717 MH, L.P.)	(8)	—	189	—	3,971	346	—	4,317
					LP Interests (2717 HPP-MS, L.P.)	(8)	—	—	—	—	—	—	—
Copper Trail Energy Fund I, LP - CTMH					LP Interests (CTMH, LP)	(9)	—	—	—	710	—	—	710
Other Amounts related to investments transferred to or from other 1940 Act classification during the period													
							—	—	—	—	—	—	—
Total Control investments							\$ —	\$ 177	\$ 1,001	\$ 46,583	\$ 347	\$ —	\$ 46,930
Affiliate Investments													
AFG Capital Group, LLC	10.00%				Secured Debt Preferred Member Units	(8)	\$ —	\$ —	\$ 1	\$ 36	\$ —	\$ 22	\$ 14
						(8)	—	160	—	1,930	160	—	2,090
ASK (Analytical Systems Keco Holdings, LLC)	12.00%	L+	10.00%		Secured Debt Preferred Member Units	(8)	—	—	42	1,178	7	17	1,168
					Warrants	(8)	—	(140)	—	1,220	—	140	1,080
						(8)	—	—	—	—	—	—	—
ATX Networks Corp.	8.50%	L+	7.50%		Secured Debt	(6)	—	235	—	7,121	235	96	7,260
	10.00%		10.00%		Unsecured Debt	(6)	—	84	74	1,977	159	—	2,136
Barfly Ventures, LLC					Preferred Member Units	(5)	—	40	—	643	40	—	683
Batjer TopCo, LLC	11.00%				Secured Debt Member Units	(8)	—	—	10	—	1,201	—	1,201
						(8)	—	—	—	—	453	—	453
Brewer Crane Holdings, LLC	11.00%	L+	10.00%		Secured Debt Preferred Member Units	(9)	—	—	57	2,005	2	31	1,976
						(9)	—	10	66	1,930	10	—	1,940
Centre Technologies Holdings, LLC	12.00%	L+	10.00%		Secured Debt Preferred Member Units	(8)	—	—	73	2,216	3	38	2,181
						(8)	—	—	8	1,460	—	—	1,460
Chamberlin Holding LLC	9.00%	L+	8.00%		Secured Debt Member Units	(8)	—	(11)	110	4,454	11	45	4,420
						(8)	—	(27)	78	6,415	—	27	6,388
Charps, LLC	10.00%				Unsecured Debt Preferred Member Units	(5)	—	—	—	—	—	—	—
						(5)	—	20	52	3,500	20	—	3,520
Clad-Rex Steel, LLC	10.50%	L+	9.50%		Secured Debt	(5)	—	—	69	2,620	—	—	2,620
	10.00%				Secured Debt	(5)	—	—	7	268	—	2	266
					Member Units	(5)	—	20	87	2,693	20	1	2,712
Cody Pools, Inc.	12.25%	L+	10.50%		Secured Debt Preferred Member Units	(8)	—	4	234	7,181	649	640	7,190
						(8)	—	—	172	11,910	—	—	11,910
Colonial Electric Company LLC	12.00%				Secured Debt Preferred Member Units	(6)	—	—	192	6,007	10	79	5,938
						(6)	—	—	93	2,280	—	—	2,280
Datacom, LLC	7.50%				Secured Debt Preferred Member Units	(8)	—	—	25	852	6	7	851
						(8)	—	10	3	290	10	—	300
Digital Products Holdings LLC	11.00%	L+	10.00%		Secured Debt Preferred Member Units	(5)	—	—	120	4,186	6	83	4,109
						(5)	—	—	13	2,459	—	—	2,459

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
March 31, 2022
(dollars in thousands)
(unaudited)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2021 Fair Value	Gross Additions(3)	Gross Reductions(4)	March 31, 2022 Fair Value
Direct Marketing Solutions, Inc.	12.00%	L+	11.00%		Secured Debt	(9)	—	1	150	4,698	14	75	4,637
					Preferred Stock	(9)	—	1,020	86	4,590	1,020	—	5,610
Flame King Holdings, LLC	12.00%	L+	11.00%		Secured Debt	(9)	—	—	167	5,145	8	—	5,153
	7.50%	L+	6.50%		Secured Debt	(9)	—	—	35	1,581	301	—	1,882
					Preferred Equity	(9)	—	—	70	2,600	—	—	2,600
Freeport Financial Funds					LP Interests (Freeport First Lien Loan Fund III LP)	(5)	—	—	88	7,231	—	—	7,231
Gamber-Johnson Holdings, LLC	10.50%	L+	8.50%		Secured Debt	(5)	—	(1)	130	5,400	1	1	5,400
					Member Units	(5)	—	(1,151)	45	12,430	—	1,151	11,279
GFG Group, LLC.	12.00%				Secured Debt	(5)	—	(5)	99	3,136	5	5	3,136
					Preferred Member Units	(5)	—	—	63	1,750	—	—	1,750
Gulf Publishing Holdings, LLC	10.50%	L+	9.50%	5.25%	Secured Debt	(8)	—	—	1	64	—	—	64
	12.50%			6.25%	Secured Debt	(8)	—	(430)	53	2,429	—	429	2,000
HPEP 3, L.P.					LP Interests (HPEP 3, L.P.)	(8)	446	(280)	—	4,712	—	280	4,432
Kickhafer Manufacturing Company, LLC	11.50%				Secured Debt	(5)	—	—	155	5,040	9	—	5,049
	9.00%				Secured Debt	(5)	—	—	22	970	—	3	967
					Member Units	(5)	—	(20)	—	3,695	—	20	3,675
					Member Units	(5)	—	—	7	—	—	—	—
Market Force Information, LLC	12.00%	L+	11.00%		Secured Debt	(9)	—	—	3	2,234	3	—	2,237
MH Corbin Holding LLC	13.00%				Secured Debt	(5)	—	(374)	68	1,484	2	394	1,092
					Preferred Member Units	(5)	—	—	—	—	—	—	—
Oneliance, LLC					Preferred Stock	(7)	—	—	—	264	—	—	264
	12.00%	L+	11.00%		Secured Debt	(7)	—	—	44	1,374	1	—	1,375
Ortech Holdings, LLC	12.00%	L+	11.00%		Secured Debt	(5)	—	—	189	5,978	6	—	5,984
					Preferred Stock	(5)	—	—	48	2,500	—	—	2,500
Mystic Logistics Holdings, LLC	10.00%				Secured Debt	(6)	—	—	39	1,595	—	71	1,524
					Common Stock	(6)	—	555	142	2,210	554	—	2,764
NexRev LLC	11.00%				Secured Debt	(8)	—	—	215	3,510	6	54	3,462
					Preferred Member Units	(8)	—	—	5	670	—	—	670
NuStep, LLC	7.50%	L+	6.50%		Secured Debt	(5)	—	1	11	430	300	—	730
	12.00%				Secured Debt	(5)	—	—	126	4,310	—	—	4,310
					Preferred Member Units	(5)	—	—	—	3,380	—	1	3,379
Robbins Bros. Jewelry, Inc.	12.00%	L+	11.00%		Secured Debt	(9)	—	—	126	—	3,955	—	3,955
					Preferred Equity	(9)	—	—	16	—	1,230	—	1,230
SI East, LLC (Stavig)	10.25%				Secured Debt	(7)	—	106	569	21,950	—	102	21,848
					Preferred Member Units	(7)	—	320	30	3,860	320	—	4,180
Sonic Systems International, LLC	8.50%	L+	7.50%		Secured Debt	(8)	—	—	312	13,738	14	—	13,752
					Common Stock	(8)	—	(70)	13	1,250	—	70	1,180
Tedder Industries, LLC	12.00%				Secured Debt	(9)	—	—	142	4,013	157	—	4,170
					Preferred Member Units	(9)	—	—	—	2,145	—	—	2,145
Trantech Radiator Topco, LLC					Secured Debt	(7)	—	—	71	2,174	11	105	2,080
	12.00%				Common Stock	(7)	—	—	7	2,160	—	—	2,160
VVS Holdco, LLC	11.50%				Secured Debt	(5)	—	—	230	7,375	11	—	7,386

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
March 31, 2022
(dollars in thousands)
(unaudited)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2021 Fair Value	Gross Additions(3)	Gross Reductions(4)	March 31, 2022 Fair Value
	7.00%	L+	6.00%		Secured Debt	(5)	—	—	5	292	—	99	193
					Preferred Equity	(5)	—	—	38	2,960	—	—	2,960
Other Amounts related to investments transferred to or from other 1940 Act classification during the period							—	—	—	—	—	—	—
Total Affiliate investments							<u>\$ 446</u>	<u>\$ 77</u>	<u>\$ 5,206</u>	<u>\$ 234,158</u>	<u>\$ 10,930</u>	<u>\$ 4,088</u>	<u>\$ 241,000</u>

- (1) The principal amount, the ownership detail for equity investments and if the investment is income producing is included in the Consolidated Schedule of Investments included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.
- (2) Represents the total amount of interest, fees and dividends credited to income for the portion of the period for which an investment was included in Control or Affiliate categories, respectively. For investments transferred between Control and Affiliate categories during the period, any income or investment balances related to the time period it was in the category other than the one shown at period end is included in "Amounts related to investments transferred from other 1940 Act classifications during the period."
- (3) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, follow-on investments and accrued PIK interest, and the exchange of one or more existing securities for one or more new securities. Gross additions also include net increases in unrealized appreciation or net decreases in net unrealized depreciation as well as the movement of an existing portfolio company into this category and out of a different category.
- (4) Gross reductions include decreases in the cost basis of investments resulting from principal repayments or sales and the exchange of one or more existing securities for one or more new securities. Gross reductions also include net increases in net unrealized depreciation or net decreases in unrealized appreciation as well as the movement of an existing portfolio company out of this category and into a different category.
- (5) Portfolio company located in the Midwest region as determined by location of the corporate headquarters. The fair value as of March 31, 2022 for affiliate investments located in this region was \$83,390. This represented 13.5% of net assets as of March 31, 2022.
- (6) Portfolio company located in the Northeast region as determined by location of the corporate headquarters. The fair value as of March 31, 2022 for affiliate investments located in this region was \$21,902. This represented 3.6% of net assets as of March 31, 2022.
- (7) Portfolio company located in the Southeast region as determined by location of the corporate headquarters. The fair value as of March 31, 2022 for affiliate investments located in this region was \$31,907. This represented 5.2% of net assets as of March 31, 2022.
- (8) Portfolio company located in the Southwest region as determined by location of the corporate headquarters. The fair value as of March 31, 2022 for control investments located in this region was \$46,220. This represented 7.5% of net assets as of March 31, 2022. The fair value as of March 31, 2022 for affiliate investments located in this region was \$66,266. This represented 10.7% of net assets as of March 31, 2022.

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
March 31, 2022
(dollars in thousands)
(unaudited)

- (9) Portfolio company located in the West region as determined by location of the corporate headquarters. The fair value as of March 31, 2022 for control investments located in this region was \$710. This represented 0.1% of net assets as of March 31, 2022. The fair value as of March 31, 2022 for affiliate investments located in this region was \$37,535. This represented 6.1% of net assets as of March 31, 2022.
- (10) All of the Company's portfolio investments are generally subject to restrictions on resale as "restricted securities," unless otherwise noted.
- (11) This schedule should be read in conjunction with the Consolidated Schedule of Investments and Notes to the Consolidated Financial Statements included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q. Supplemental information can be located within the Consolidated Schedule of Investments including end of period interest rate, preferred dividend rate, maturity date, investments not paid currently in cash and investments whose value was determined using significant unobservable inputs.

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

This Quarterly Report on Form 10-Q contains forward-looking statements regarding the plans and objectives of management for future operations and which relate to future events or our future performance or financial condition. Any such forward-looking statements may involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe our future plans, strategies and expectations, are generally identifiable by use of the words "may," "will," "should," "expect," "anticipate," "estimate," "believe," "intend" or "project" or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements are based on assumptions that may be incorrect, and we cannot assure you that the projections included in these forward-looking statements will come to pass. Our actual results could differ materially from those expressed or implied by the forward-looking statements as a result of various factors, including, without limitation the factors referenced in Item 1A entitled "Risk Factors" below in Part II of this Quarterly Report on Form 10-Q, if any, and discussed in Item 1A entitled "Risk Factors" in Part I of our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the Securities and Exchange Commission ("SEC") on March 14, 2023 and elsewhere in this Quarterly Report on Form 10-Q and our other SEC filings. Other factors that could cause actual results to differ materially include changes in the economy and future changes in laws or regulations and conditions in our operating areas.

We have based the forward-looking statements included in this Quarterly Report on Form 10-Q on information available to us on the date of this Quarterly Report on Form 10-Q, and we assume no obligation to update any such forward-looking statements, unless we are required to do so by applicable law. However, you are advised to refer to any additional disclosures that we may make directly to you or through reports that we in the future may file with the SEC, including subsequent periodic and current reports.

This discussion should be read in conjunction with our consolidated financial statements as of December 31, 2022, and for the year then ended, and Management's Discussion and Analysis of Financial Condition and Results of Operations, both contained in our Annual Report on Form 10-K for the year ended December 31, 2022, as well as the consolidated financial statements (unaudited) and notes to the consolidated financial statements (unaudited) contained in this report.

ORGANIZATION

MSC Income Fund, Inc. ("MSIF" or, together with its consolidated subsidiaries, "MSC Income Fund" or the "Company") is a principal investment firm primarily focused on providing debt capital to middle market ("Middle Market") companies and customized debt and equity financing to lower middle market ("LMM") companies. The portfolio investments of MSC Income Fund are typically made to support leveraged buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in a variety of industry sectors. MSC Income Fund seeks to partner with private equity funds in its Private Loan (as defined below) and Middle Market investment strategies. MSC Income Fund invests primarily in secured debt investments of Middle Market companies generally headquartered in the United States and in secured debt investments, equity investments, warrants and other securities of LMM companies based in the United States. MSC Income Fund seeks to partner with entrepreneurs, business owners and management teams and generally provides "one-stop" financing alternatives within its LMM investment strategy.

MSIF was formed in November 2011 to operate as an externally managed business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). MSIF has elected to be treated for U.S. federal income tax purposes as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). As a result, MSIF generally does not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that it distributes to its stockholders.

On October 28, 2020, MSIF's stockholders approved the appointment of MSC Adviser I, LLC (our "Adviser"), which is wholly-owned by Main Street Capital Corporation ("Main Street"), a New York Stock Exchange listed BDC, as MSIF's investment adviser and administrator under an Investment Advisory and Administrative Services Agreement dated October 30, 2020 (our "Investment Advisory Agreement"). In such role, the Adviser has the responsibility to manage the business of MSC Income Fund, including the responsibility to identify, evaluate, negotiate and structure prospective investments, make investment and portfolio management decisions, monitor MSC Income Fund's investment portfolio and provide ongoing administrative services.

MSIF has certain direct and indirect wholly-owned subsidiaries that have elected to be taxable entities (the “Taxable Subsidiaries”). The primary purpose of the Taxable Subsidiaries is to permit MSIF to hold equity investments in portfolio companies which are “pass-through” entities for tax purposes. MSIF also has certain direct and indirect wholly-owned subsidiaries formed for financing purposes (the “Structured Subsidiaries”).

Unless otherwise noted or the context otherwise indicates, the terms “we,” “us,” “our,” the “Company” and “MSC Income Fund” refer to MSIF and its consolidated subsidiaries, which include the Taxable Subsidiaries and the Structured Subsidiaries.

OVERVIEW OF OUR BUSINESS

Our principal investment objective is to maximize our portfolio’s total return by generating current income from our debt investments and current income and capital appreciation from our equity and equity-related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. We seek to achieve our investment objective through our Private Loan (as defined below), LMM and Middle Market investment strategies. Our private loan (“Private Loan”) investment strategy involves investments in companies that are consistent with the size of the companies in our LMM and Middle Market investment strategies. Our LMM investment strategy involves investments in companies that generally have annual revenues between \$10 million and \$150 million. Our Middle Market investment strategy involves investments in companies that are generally larger in size than our LMM companies, with annual revenues typically between \$150 million and \$1.5 billion. Our Private Loan, LMM and Middle Market investments generally range in size from \$1 million to \$20 million.

Private Loan investments primarily consist of debt securities that have primarily been originated directly by our Adviser or, to a lesser extent, by our Adviser through its strategic relationships with other investment funds on a collaborative basis through investments that are often referred to in the debt markets as “club deals” because of the small lender group size. In both cases, our Private Loan investments are typically made to support a company owned by or in the process of being acquired by a private equity sponsor. Private Loan investments are typically similar in structure, terms and conditions to investments we hold in our LMM portfolio and Middle Market portfolio. Our Private Loan portfolio debt investments are generally secured by a first priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date. We may also invest along side with Main Street and the private equity sponsor in the equity securities of our Private Loan portfolio companies.

We seek to fill the financing gap for LMM businesses, which, historically, have had limited access to financing from commercial banks and other traditional sources. The underserved nature of the LMM creates the opportunity for us to meet the financing needs of LMM companies while also negotiating favorable transaction terms and equity participation. Our ability to invest across a company’s capital structure, from secured loans to equity securities, allows us to offer portfolio companies a comprehensive suite of financing options, or a “one-stop” financing solution. Providing customized, “one-stop” financing solutions is important to LMM portfolio companies. We generally seek to partner directly with entrepreneurs, management teams and business owners in making our investments. Our LMM portfolio debt investments are generally secured by a first lien on the assets of the portfolio company and typically have a term of between five and seven years from the original investment date.

Our Middle Market portfolio investments primarily consist of direct investments in or secondary purchases of interest-bearing syndicated loans or debt securities in privately held companies based in the United States that are generally larger in size than the companies included in our LMM portfolio. Our Middle Market portfolio debt investments are generally secured by a first priority lien on the assets of the portfolio company and typically have an expected duration of between three and seven years from the original investment date.

Our other portfolio (“Other Portfolio”) investments primarily consist of investments that are not consistent with the typical profiles for our Private Loan, LMM or Middle Market portfolio investments, including investments which may be managed by third parties. In our Other Portfolio, we may incur indirect fees and expenses in connection with investments managed by third parties, such as investments in other investment companies or private funds.

Our portfolio investments are generally made through MSIF, the Taxable Subsidiaries and the Structured Subsidiaries. MSIF, the Taxable Subsidiaries and the Structured Subsidiaries share the same investment strategies and criteria. An investor’s return in MSIF will depend, in part, on the Taxable Subsidiaries’ and the Structured Subsidiaries’ investment returns as they are wholly-owned subsidiaries of MSIF.

The level of new portfolio investment activity will fluctuate from period to period based upon our view of the current economic fundamentals, our ability to identify new investment opportunities that meet our investment criteria, and

our ability to consummate the identified opportunities and our available liquidity. The level of new investment activity, and associated interest and fee income, will directly impact future investment income. In addition, the level of dividends paid by portfolio companies and the portion of our portfolio debt investments on non-accrual status will directly impact future investment income. While we intend to grow our portfolio and our investment income over the long term, our growth and our operating results may be more limited during depressed economic periods. However, we intend to appropriately manage our cost structure and liquidity position based on applicable economic conditions and our investment outlook. The level of realized gains or losses and unrealized appreciation or depreciation on our investments will also fluctuate depending upon portfolio activity, economic conditions and the performance of our individual portfolio companies. The changes in realized gains and losses and unrealized appreciation or depreciation could have a material impact on our operating results.

We have received an exemptive order from the SEC permitting co-investments among us, Main Street and other funds and clients advised by our Adviser in certain negotiated transactions where co-investing would otherwise be prohibited under the 1940 Act. We have made co-investments with, and in the future intend to continue to make co-investments with Main Street and other funds and clients advised by our Adviser, in accordance with the conditions of the order. The order requires, among other things, that we and our Adviser consider whether each such investment opportunity is appropriate for us and the other funds and clients advised by our Adviser, as applicable, and if it is appropriate, to propose an allocation of the investment opportunity between such parties. Because our Adviser is wholly-owned by Main Street and is not managing our investment activities as its sole activity, this may provide our Adviser an incentive to allocate opportunities to other participating funds and clients instead of us. However, our Adviser has policies and procedures in place to manage this conflict, including oversight by the independent members of our Board of Directors. In addition to the co-investment program described above, we also co-invest in syndicated deals and other transactions where price is the only negotiated point by us and our affiliates.

INVESTMENT PORTFOLIO SUMMARY

The following tables provide a summary of our investments in the Private Loan, LMM and Middle Market portfolios as of March 31, 2023 and December 31, 2022 (this information excludes Other Portfolio investments, which are discussed further below):

	As of March 31, 2023		
	Private Loan	LMM (a)	Middle Market
	(dollars in millions)		
Number of portfolio companies	71	49	20
Fair value	\$ 567.7	\$ 362.2	\$ 109.5
Cost	\$ 571.9	\$ 316.6	\$ 150.7
Debt investments as a % of portfolio (at cost)	96.3 %	71.6 %	94.7 %
Equity investments as a % of portfolio (at cost)	3.7 %	28.4 %	5.3 %
% of debt investments at cost secured by first priority lien	99.4 %	100.0 %	100.0 %
Weighted-average annual effective yield (b)	12.6 %	12.5 %	12.4 %
Average EBITDA (c)	\$ 36.9	\$ 8.9	\$ 80.0

(a) At March 31, 2023, we had equity ownership in all of our LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was 9%.

(b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments at cost as of March 31, 2023, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status. The weighted-average annual effective yield on our debt portfolio as of March 31, 2023 including debt investments on non-accrual status was 12.2% for our Private Loan portfolio, 12.1% for our LMM portfolio and 11.3% for our Middle Market portfolio. The weighted-average annual effective yield is not reflective of what an investor in shares of our common stock will realize on its investment because it does not reflect our utilization of debt capital in our capital structure, our expenses or any sales load paid by an investor.

(c) The average EBITDA is calculated using a weighted-average for the Private Loan and Middle Market portfolios and a simple average for the LMM portfolio. These calculations exclude certain portfolio companies, including one Private

Loan portfolio company and one LMM portfolio company, as EBITDA is not a meaningful valuation metric for our investments in these portfolio companies, and those portfolio companies whose primary purpose is to own real estate.

	As of December 31, 2022					
	Private Loan		LMM (a)		Middle Market	
	(dollars in millions)					
Number of portfolio companies	57		43		25	
Fair value	\$	559.8	\$	352.7	\$	126.7
Cost	\$	563.0	\$	312.5	\$	159.7
Debt investments as a % of portfolio (at cost)	96.2 %		73.2 %		95.0 %	
Equity investments as a % of portfolio (at cost)	3.8 %		26.8 %		5.0 %	
% of debt investments at cost secured by first priority lien	98.5 %		99.8 %		98.8 %	
Weighted-average annual effective yield (b)	11.8 %		12.1 %		11.3 %	
Average EBITDA (c)	\$	36.8	\$	8.6	\$	79.2

- (a) At December 31, 2022, we had equity ownership in all of our LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was 9%.
- (b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments at cost as of December 31, 2022, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status. The weighted-average annual effective yield on our debt portfolio as of December 31, 2022 including debt investments on non-accrual status was 11.4% for our Private Loan portfolio, 11.7% for our LMM portfolio and 9.7% for our Middle Market portfolio. The weighted-average annual effective yield is not reflective of what an investor in shares of our common stock will realize on its investment because it does not reflect our utilization of debt capital in our capital structure, our expenses or any sales load paid by an investor.
- (c) The average EBITDA is calculated using a weighted-average for the Private Loan and Middle Market portfolios and a simple average for the LMM portfolio. These calculations exclude one Private Loan portfolio company, as EBITDA is not a meaningful valuation metric for our investment in this portfolio company, and those portfolio companies whose primary purpose is to own real estate.

For the three months ended March 31, 2023 and 2022, we achieved an annualized total return on investments of 11.4% and 10.3%, respectively. For the year ended December 31, 2022, we achieved a total return on investments of 9.1%. Total return on investments is calculated using the interest, dividend and fee income, as well as the realized and unrealized change in fair value of the Investment Portfolio for the specified period. Our total return on investments is not reflective of what an investor in shares of our common stock will realize on its investment because it does not reflect our utilization of debt capital in our capital structure, our expenses or any sales load paid by an investor.

As of March 31, 2023, we had Other Portfolio investments in four companies, collectively totaling \$27.7 million in fair value and \$23.7 million in cost basis and which comprised 2.6% and 2.2% of our Investment Portfolio at fair value and cost, respectively. As of December 31, 2022, we had Other Portfolio investments in four companies, collectively totaling \$29.0 million in fair value and \$24.7 million in cost basis and which comprised 2.7% and 2.3% of our Investment Portfolio at fair value and cost, respectively.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements and related disclosures in conformity with generally accepted accounting principles (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the periods reported. Actual results could materially differ from those estimates. Critical accounting policies are those that require management to make subjective or complex judgments about the effect of matters that are inherently uncertain and may change in subsequent periods. Changes that may be required in the underlying assumptions or estimates in these areas could have a material impact on our current and future financial condition and results of operations.

Management has discussed the development and selection of each critical accounting policy and estimate with the Audit Committee of the Board of Directors. Our critical accounting policies and estimates include the Investment Portfolio Valuation and Revenue Recognition policies described below. Our significant accounting policies are described in greater

detail in *Note B — Summary of Significant Accounting Policies* to the consolidated financial statements included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.

Investment Portfolio Valuation

The most significant determination inherent in the preparation of our consolidated financial statements is the valuation of our Investment Portfolio and the related amounts of unrealized appreciation and depreciation. We consider this determination to be a critical accounting estimate, given the significant judgments and subjective measurements required. As of both March 31, 2023 and December 31, 2022, our Investment Portfolio valued at fair value represented 96% of our total assets. We are required to report our investments at fair value. We follow the provisions of FASB ASC 820, Fair Value Measurements and Disclosures (“ASC 820”). ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements. ASC 820 requires us to assume that the portfolio investment is to be sold in the principal market to independent market participants, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal market that are independent, knowledgeable and willing and able to transact. See *Note B.1. — Summary of Significant Accounting Policies — Valuation of the Investment Portfolio* included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q for a detailed discussion of our Investment Portfolio valuation process and procedures.

Due to the inherent uncertainty in the valuation process, our determination of fair value for our Investment Portfolio may differ materially from the values that would have been determined had a ready market for the securities existed. In addition, changes in the market environment, portfolio company performance and other events that may occur over the lives of the investments may cause the gains or losses ultimately realized on these investments to be materially different than the valuations currently assigned. We determine the fair value of each individual investment and record changes in fair value as unrealized appreciation or depreciation.

In December 2020, the SEC adopted Rule 2a-5 under the 1940 Act, which permits a BDC’s board of directors to designate its executive officers or investment adviser as a valuation designee to determine the fair value for its investment portfolio, subject to the active oversight of the board. Our Board of Directors has approved policies and procedures pursuant to Rule 2a-5 (the “Valuation Procedures”) and has designated our Adviser, led by a group of Main Street’s and our Adviser’s executive officers, to serve as the Board of Directors’ valuation designee. We believe our Investment Portfolio as of March 31, 2023 and December 31, 2022 approximates fair value as of those dates based on the markets in which we operate and other conditions in existence on those reporting dates.

Revenue Recognition

Interest and Dividend Income

We record interest and dividend income on the accrual basis to the extent amounts are expected to be collected. Dividend income is recorded as dividends are declared by the portfolio company or at the point an obligation exists for the portfolio company to make a distribution. We evaluate accrued interest and dividend income periodically for collectability. When a loan or debt security becomes 90 days or more past due, and if we otherwise do not expect the debtor to be able to service its debt obligation, we will generally place the loan or debt security on non-accrual status and cease recognizing interest income on that loan or debt security until the borrower has demonstrated the ability and intent to pay contractual amounts due. If a loan or debt security’s status significantly improves regarding the debtor’s ability to service the debt obligation, or if a loan or debt security is sold or written off, we remove it from non-accrual status.

Fee Income

We may periodically provide services, including structuring and advisory services to our portfolio companies or other third parties. For services that are separately identifiable and evidence exists to substantiate fair value, fee income is recognized as earned, which is generally when the investment or other applicable transaction closes. Fees received in connection with debt financing transactions for services that do not meet these criteria are treated as debt origination fees and are generally deferred and accreted into income over the life of the financing.

Payment-in-Kind (“PIK”) Interest and Cumulative Dividends

We hold certain debt and preferred equity instruments in our Investment Portfolio that contain PIK interest and cumulative dividend provisions. The PIK interest, computed at the contractual rate specified in each debt agreement, is periodically added to the principal balance of the debt and is recorded as interest income. Thus, the actual collection of this

interest may be deferred until the time of debt principal repayment. Cumulative dividends are recorded as dividend income, and any dividends in arrears are added to the balance of the preferred equity investment. The actual collection of these dividends in arrears may be deferred until such time as the preferred equity is redeemed or sold. To maintain RIC tax treatment (as discussed in *Note B.7. — Summary of Significant Accounting Policies — Income Taxes* included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though we may not have collected the PIK interest and cumulative dividends in cash. We stop accruing PIK interest and cumulative dividends and write off any accrued and uncollected interest and dividends in arrears when we determine that such PIK interest and dividends in arrears are no longer collectible. For the three months ended March 31, 2023 and 2022, (i) 3.8% and 1.8%, respectively, of our total investment income was attributable to PIK interest income not paid currently in cash and (ii) 0.1% and 1.8%, respectively, of our total investment income was attributable to cumulative dividend income not paid currently in cash.

INVESTMENT PORTFOLIO COMPOSITION

The following tables summarize the composition of our total combined Private Loan, LMM and Middle Market portfolio investments at cost and fair value by type of investment as a percentage of the total combined Private Loan, LMM and Middle Market portfolio investments as of March 31, 2023 and December 31, 2022 (this information excludes Other Portfolio investments).

Cost:	March 31, 2023	December 31, 2022
First lien debt	88.2 %	88.5 %
Equity	11.4	10.8
Second lien debt	0.3	0.3
Equity warrants	0.1	0.2
Other	—	0.2
	<u>100.0 %</u>	<u>100.0 %</u>
Fair Value:	March 31, 2023	December 31, 2022
First lien debt	80.9 %	81.4 %
Equity	18.7	17.9
Second lien debt	0.3	0.3
Equity warrants	0.1	0.1
Other	—	0.3
	<u>100.0 %</u>	<u>100.0 %</u>

Our Private Loan, LMM and Middle Market portfolio investments carry a number of risks including: (1) investing in companies which may have limited operating histories and financial resources; (2) holding investments that generally are not publicly traded and which may be subject to legal and other restrictions on resale; and (3) other risks common to investing in below investment-grade debt and equity investments in our Investment Portfolio. Please see *Item 1A. Risk Factors — Risks Related to our Investments* contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 for a more complete discussion of the risks involved with investing in our Investment Portfolio.

PORTFOLIO ASSET QUALITY

We utilize an internally developed investment rating system to rate the performance of each Private Loan, LMM and Middle Market portfolio company and to monitor our expected level of returns on each of our Private Loan, LMM and Middle Market investments in relation to our expectations for the portfolio company. The investment rating system takes into consideration various factors, including each investment's expected level of returns, the collectability of our debt investments and the ability to receive a return of the invested capital in our equity investments, comparisons to competitors and other industry participants, the portfolio company's future outlook and other factors that are deemed to be significant to the portfolio company.

As of March 31, 2023, our total Investment Portfolio had seven investments on non-accrual status, which comprised 0.7% of its fair value and 4.6% of its cost. As of December 31, 2022, our total Investment Portfolio had seven investments on non-accrual status, which comprised 0.8% of its fair value and 4.8% of its cost.

The operating results of our portfolio companies are impacted by changes in the broader fundamentals of the United States economy. In periods during which the United States economy contracts, it is likely that the financial results of small to mid-sized companies, like those in which we invest, could experience deterioration or limited growth from current levels, which could ultimately lead to difficulty in meeting their debt service requirements, to an increase in defaults on our debt investments or in realized losses on our investments and to difficulty in maintaining historical dividend payment rates and unrealized appreciation on our equity investments. Consequently, we can provide no assurance that the performance of certain portfolio companies will not be negatively impacted by future economic cycles or other conditions, which could also have a negative impact on our future results.

DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS

Comparison of the three months ended March 31, 2023 and 2022

Set forth below is a comparison of the results of operations for the three months ended March 31, 2023 and 2022.

	Three Months Ended March 31,		Net Change	
	2023	2022	Amount	%
	(dollars in thousands)			
Total investment income	\$ 31,046	\$ 23,401	\$ 7,645	33 %
Total expenses, net of expense waivers	(16,938)	(10,708)	(6,230)	58 %
Net investment income	14,108	12,693	1,415	11 %
Total net realized gain from investments	3,432	253	3,179	NM
Total net unrealized appreciation (depreciation) from investments	(4,139)	3,731	(7,870)	NM
Income tax provision	(1,170)	(464)	(706)	NM
Net increase in net assets resulting from operations	\$ 12,231	\$ 16,213	\$ (3,982)	(25)%

NM — Net Change % not meaningful

Investment Income

Total investment income for the three months ended March 31, 2023 was \$31.0 million, a 33% increase from the \$23.4 million of total investment income for the corresponding period of 2022. The following table provides a summary of the changes in the comparable period activity.

	Three Months Ended March 31,		Net Change	
	2023	2022	Amount	%
	(dollars in thousands)			
Interest income	\$ 28,932	\$ 20,069	\$ 8,863	44 % (a)
Dividend income	1,559	2,793	(1,234)	(44)% (b)
Fee income	555	539	16	3 %
Total investment income	\$ 31,046	\$ 23,401	\$ 7,645	33 % (c)

- (a) The increase in interest income was primarily due to an increase in interest rates on floating rate Investment Portfolio debt investments primarily resulting from increases in benchmark index rates, which are primarily the London Interbank Offered Rate (“LIBOR”) and the Secured Overnight Financing Rate (“SOFR”), and increased accelerated OID income.
- (b) The decrease in dividend income from Investment Portfolio equity investments was primarily a result of lower dividend income from a variety of portfolio companies.
- (c) The increase in total investment income includes a net increase of \$1.2 million in the impact of certain income considered to be less consistent or non-recurring, resulting from an increase in total accelerated prepayment and other activity related to certain Investment Portfolio debt investments.

Expenses

Total expenses, net of expense waivers, for the three months ended March 31, 2023 were \$16.9 million, a 58% increase from \$10.7 million in the corresponding period of 2022. The following table provides a summary of the changes in the comparable period activity.

	Three Months Ended March 31,		Net Change	
	2023	2022	Amount	%
	(dollars in thousands)			
Interest expense	\$ 8,334	\$ 4,529	\$ 3,805	84 % (a)
Base management fees	4,855	4,990	(135)	(3)%
Incentive fees	2,720	—	2,720	NM (b)
Internal administrative services fees	2,038	1,181	857	73 %
General and administrative	880	1,038	(158)	(15)%
Total expenses before expense waivers	18,827	11,738	7,089	60 %
Waiver of internal administrative services expenses	(1,889)	(1,030)	(859)	83 %
Total expenses	\$ 16,938	\$ 10,708	\$ 6,230	58 %

- (a) The increase in interest expense was primarily related to higher floating interest rates on our Credit Facilities (as defined in the *Liquidity and Capital Resources* section below) based upon the increases in bench market index rates.
- (b) The increase in incentive fees was due to the increased Pre-Incentive Fee Net Investment Income resulting from MSC Income Fund's improved operating results in the first quarter of 2023.

Net Investment Income

Net investment income for the three months ended March 31, 2023 increased to \$14.1 million, or \$0.18 per share, compared to net investment income of \$12.7 million, or \$0.16 per share, for the corresponding period of 2022. The increase in net investment income was principally attributable to the increase in total investment income, partially offset by the increase in total expenses, both as discussed above.

Net Realized Gain (Loss) from Investments

The following table provides a summary of the primary components of the total net realized gain on investments of \$3.4 million for the three months ended March 31, 2023.

	Three Months Ended March 31, 2023							
	Full Exits		Partial Exits		Restructures		Other (a)	Total
	Net Gain/(Loss)	# of Investments	Net Gain/(Loss)	# of Investments	Net Gain/(Loss)	# of Investments	Net Gain/(Loss)	Net Gain/(Loss)
	(dollars in thousands)							
Private Loan portfolio	\$ 868	1	\$ —	—	\$ —	—	\$ (2)	\$ 866
LMM portfolio	—	—	—	—	(1,542)	1	—	(1,542)
Middle Market portfolio	3,480	2	—	—	—	—	(3)	3,477
Other Portfolio	—	—	631	1	—	—	—	631
Total net realized gain/(loss)	\$ 4,348	3	\$ 631	1	\$ (1,542)	1	\$ (5)	\$ 3,432

- (a) Other activity includes realized gains and losses from transactions involving three portfolio companies which are not considered to be significant individually or in the aggregate.

Net Unrealized Appreciation (Depreciation)

The following table provides a summary of the total net unrealized depreciation of \$4.1 million for the three months ended March 31, 2023:

	Three Months Ended March 31, 2023				
	Private Loan	LMM(a)	Middle Market	Other	Total
	(dollars in thousands)				
Accounting reversals of net unrealized (appreciation) depreciation recognized in prior periods due to net realized (gains / income) losses recognized during the current period	\$ 1	\$ 1,399	\$ (3,175)	\$ (631)	\$ (2,406)
Net unrealized appreciation (depreciation) relating to portfolio investments	(897)	4,011	(5,115)	268	(1,733)
Total net unrealized appreciation (depreciation) relating to portfolio investments	<u>\$ (896)</u>	<u>\$ 5,410</u>	<u>\$ (8,290)</u>	<u>\$ (363)</u>	<u>\$ (4,139)</u>

(a) Includes unrealized appreciation on 17 LMM portfolio investments and unrealized depreciation on 12 LMM portfolio investments.

Income Tax Provision

The income tax provision for the three months ended March 31, 2023 of \$1.2 million principally consisted of (i) a current tax provision of \$0.3 million related to a \$0.1 million provision for excise tax on our estimated undistributed taxable income and \$0.2 million provision for current federal and state income taxes and (ii) a deferred tax provision of \$0.9 million, which is primarily the result of the net activity relating to our portfolio investments held in our Taxable Subsidiaries, including changes in loss carryforwards, changes in net unrealized appreciation/depreciation and other temporary book-tax differences.

The income tax provision for the three months ended March 31, 2022 of \$0.5 million principally consisted of a current tax provision of \$0.3 million related to a \$0.2 million provision for excise tax on our estimated undistributed taxable income and \$0.1 million provision for current state income taxes.

Net Increase in Net Assets Resulting from Operations

The net increase in net assets resulting from operations for the three months ended March 31, 2023 was \$12.2 million, or \$0.15 per share, compared with a net increase in net assets of \$16.2 million, or \$0.20 per share, during the three months ended March 31, 2022. The tables above provide a summary of the reasons for the change in net increase in net assets resulting from operations for the three months ended March 31, 2023 as compared to the three months ended March 31, 2022.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

For the three months ended March 31, 2023, we realized a net increase in cash and cash equivalents of \$6.0 million as the result of \$16.5 million of cash provided by our operating activities, partially offset by \$10.5 million of cash used in our financing activities.

The \$16.5 million of cash provided by our operating activities resulted primarily from (i) cash proceeds totaling \$30.0 million from the sales and repayments of debt investments and sales of and return of capital from equity investments, (ii) cash flows that we generated from the operating profits earned totaling \$9.8 million, which is our net investment income, excluding the non-cash effects of the accretion of unearned income, payment-in-kind interest income, cumulative dividends and the amortization expense for deferred financing costs and (iii) cash proceeds of \$1.7 million related to the change in other assets and liabilities, partially offset by the funding of new portfolio investments of \$25.0 million.

The \$10.5 million used in financing activities principally consisted of (i) \$8.4 million in cash dividends paid to stockholders and (ii) \$4.0 million for the repurchase of common stock, partially offset by \$2.0 million net cash proceeds related to our TIAA Credit Facility and JPM SPV Facility (together, the “Credit Facilities”).

Share Repurchase Program

On March 31, 2020, our Board of Directors unanimously approved a temporary suspension of the share repurchase program commencing with the second quarter of 2020. Our Board of Directors determined that it was the best interest of the Company to suspend the share repurchase program in order to preserve the financial flexibility and liquidity given the prolonged impact of COVID-19.

On March 2, 2021, our Board of Directors unanimously approved the reinstatement of the share repurchase program commencing in April 2021 with repurchases effectuated via tender offers, and we have conducted quarterly tender offers pursuant to the share repurchase program since then. The quarterly tender offers are generally equal to 90% of the aggregate dividend reinvestment plan proceeds resulting from dividend payments. See *Item 2. Unregistered Sales of Equity Securities and Use of Proceeds* of Part II of this Quarterly Report on Form 10-Q for more information regarding repurchases of our common stock during the three months ended March 31, 2023.

Capital Resources

As of March 31, 2023, we had \$27.3 million in cash and cash equivalents and \$166.3 million of unused capacity under the Credit Facilities, which we maintain to support our investment and operating activities. As of March 31, 2023, our NAV totaled \$608.3 million, or \$7.59 per share.

As of March 31, 2023, we had \$106.0 million outstanding and \$59.0 million of undrawn commitments under our TIAA Credit Facility and \$217.7 million outstanding and \$107.3 million of undrawn commitments under our JPM SPV Facility, both of which we estimated approximated fair value. Availability under our Credit Facilities is subject to certain leverage and borrowing base limitations, various covenants, reporting requirements and other customary requirements for similar credit facilities. For further information on our Credit Facilities, including key terms and financial covenants, refer to *Note D — Debt* included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.

In October 22, 2021, we issued \$77.5 million in aggregate principal amount of our 4.04% Series A Senior Notes due 2026 (the “Series A Notes”) and we issued an additional \$72.5 million of Series A Notes on January 21, 2022. For more information on our Series A Notes, including key terms and financial covenants, refer to *Note D — Debt* included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.

We closed our continuous follow-on public offering of shares to new investors effective September 2017. As such, our ability to raise additional equity is limited.

As a BDC, we generally are required to maintain a coverage ratio, or BDC asset coverage ratio, of total assets to total senior securities, which include borrowings and any preferred stock we may issue in the future, of at least 200% (or 150% if certain requirements are met in the future). This requirement limits the amount that we may borrow. As of March 31, 2023, our BDC asset coverage ratio was 228%. The combination of these factors limits our access to capital to fund future investment activities or operating requirements, including our ability to grow the Investment Portfolio. We anticipate that we will continue to fund our investment activities and operating requirements through existing cash and cash equivalents, cash flows generated through our ongoing operating activities, including cash proceeds from the repayments

and from the sales of investments in our portfolio companies, and utilization of available borrowings under our Credit Facilities. Our primary uses of funds will be investments in portfolio companies, operating expenses, cash distributions to holders of our common stock and share repurchases under our share repurchase program.

We periodically invest excess cash balances into marketable securities and idle funds investments. The primary investment objective of marketable securities and idle funds investments is to generate incremental cash returns on excess cash balances prior to utilizing those funds for investment in our Private Loan, LMM and Middle Market portfolio investments. Marketable securities and idle funds investments generally consist of debt investments, independently rated debt investments, certificates of deposit with financial institutions, diversified bond funds and publicly traded debt and equity investments.

In order to satisfy the Code requirements applicable to a RIC, we intend to distribute to our stockholders, after consideration and application of our ability under the Code to carry forward certain excess undistributed taxable income from one tax year into the next tax year, substantially all of our taxable income.

Although we have been able to secure access to additional liquidity, including through the Credit Facilities and the Note Purchase Agreement, there is no assurance that debt or equity capital will be available to us in the future on favorable terms, or at all.

Recently Issued or Adopted Accounting Standards

From time to time, new accounting pronouncements are issued by the FASB or other standards setting bodies that are adopted by us as of the specified effective date. We believe that the impact of recently issued standards and any that are not yet effective will not have a material impact on our consolidated financial statements upon adoption. For a description of recently issued or adopted accounting standards, see *Note B.11. — Summary of Significant Accounting Policies — Recently Issued or Adopted Accounting Standards* included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.

Inflation

Inflation has not historically had a significant effect on our results of operations in any of the reporting periods presented herein. However, our portfolio companies have experienced, specifically including over the last few years, as a result of recent geopolitical events, supply chain and labor issues, and may continue to experience, the increasing impacts of inflation on their operating results, including periodic escalations in their costs for labor, raw materials and third-party services and required energy consumption. These issues and challenges related to inflation are receiving significant attention from our investment teams and the management teams of our portfolio companies as we work to manage these growing challenges. Prolonged or more severe impacts of inflation to our portfolio companies could continue to affect their operating profits and, thereby, increase their borrowing costs, and as a result negatively impact their ability to service their debt obligations and/or reduce their available cash for distributions. In addition, these factors could have a negative effect on the fair value of our investments in these portfolio companies. The combined impacts therefrom in turn could negatively affect our results of operations.

Off-Balance Sheet Arrangements

We may be a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financial needs of our portfolio companies. These instruments include commitments to extend credit and fund equity capital and involve, to varying degrees, elements of liquidity and credit risk in excess of the amount recognized in the Consolidated Balance Sheets. At March 31, 2023, we had a total of \$65.7 million in outstanding commitments comprised of (i) 67 investments with commitments to fund revolving loans that had not been fully drawn or term loans with additional commitments not yet funded and (ii) three investments with equity capital commitments that had not been fully called.

Contractual Obligations

As of March 31, 2023, we had \$473.7 million in total borrowings outstanding under our Credit Facilities and Series A Notes. The TIAA Credit Facility will mature on March 1, 2026. The JPM SPV Facility will mature on February 3, 2025. The Series A Notes will mature on October 30, 2026. See further discussion of the terms of our Credit Facilities, Series A Notes and other debt in *Note D — Debt* included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.

A summary of our significant contractual payment obligations for the repayment of outstanding borrowings at March 31, 2023 is as follows:

	2023	2024	2025	2026	2027	Thereafter	Total
	(dollars in thousands)						
JPM SPV Facility ⁽¹⁾	\$ —	\$ —	\$ 217,688	\$ —	\$ —	\$ —	\$ 217,688
Series A Notes	—	—	—	150,000	—	—	150,000
Interest due on Series A Notes	6,060	6,060	6,060	6,060	—	—	24,240
TIAA Credit Facility ⁽²⁾	—	—	—	106,000	—	—	106,000
Total	\$ 6,060	\$ 6,060	\$ 223,748	\$ 262,060	\$ —	\$ —	\$ 497,928

- (1) As of March 31, 2023, \$107.3 million remained available to borrow under the JPM SPV Facility; however, our borrowing ability is limited to leverage and borrowing base restrictions imposed by the JPM SPV Facility and the 1940 Act, as discussed above.
- (2) As of March 31, 2023, \$59.0 million remained available to borrow under the TIAA Credit Facility; however, our borrowing ability is limited to leverage and borrowing base restrictions imposed by the TIAA Credit Facility and the 1940 Act, as discussed above.

Related Party Transactions and Agreements

We have entered into agreements with our Adviser and/or certain of its affiliates and other parties whereby we pay certain fees and reimbursements to these entities. These included payments for selling commissions and fees and for reimbursement of offering costs. In addition, we make payments for certain services that include the identification, execution and management of our investments and also the management of our day-to-day operations provided to us by our Adviser, pursuant to various agreements that we have entered into. See *Note J — Related Party Transactions* included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q for additional information regarding these related party transactions and agreements.

Recent Developments

On May 1, 2023, we sold 255,754 shares of our common stock to Main Street at \$7.82 per share, the price at which we issued new shares in connection with reinvestments of the May 1, 2023 dividend pursuant to the DRIP, for total proceeds to us of \$2.0 million. The issuance and sale were made pursuant to the exemption from registration under Section 4(a)(2) of the Securities Act of 1933, as amended, and was unanimously approved by the Board, including each director who is not an “interested person,” as such term is defined in Section 2(a)(19) of the 1940 Act, of us or our Adviser.

On May 1, 2023, we repurchased 558,444 shares of our common stock validly tendered and not withdrawn on the terms set forth in our tender offer statement on Schedule TO and Offer to Purchase filed with the SEC on May 4, 2023. The shares were repurchased at a price of \$7.67 per share, which was our NAV per share as of May 1, 2023, for an aggregate purchase price of \$4.3 million (an amount equal to 90% of the proceeds we received from the issuance of shares under our DRIP from our May 1, 2023 dividend payment).

On May 11, 2023, our Board of Directors declared a quarterly cash dividend of \$0.175 per share payable August 1, 2023 to stockholders of record as of June 30, 2023.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are subject to financial market risks, including changes in interest rates, and changes in interest rates may affect both our interest expense on the debt outstanding under our Credit Facilities and our interest income from portfolio investments. Our risk management systems and procedures are designed to identify and analyze our risk, to set appropriate policies and limits and to continually monitor these risks. Our investment income will be affected by changes in various interest rate indices, including LIBOR, SOFR and Prime rates, to the extent that any debt investments include floating interest rates. See *Risk Factors — Risks Related to our Investments — The interest rates of some of our investments are priced using a spread over LIBOR, which will be phased out in the future.*, *Risk Factors — Risks Related to our Business and Structure — We are subject to risks associated with the interest rate environment and changes in interest rates will affect our cost of capital, net investment income and the value of our investments.* and *Risk Factors — Risks Related to Leverage — Because we borrow money, the potential for gain or loss on amounts invested in us is magnified and may increase the risk of investing in us.* included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 for more information regarding risks associated with our debt investments and borrowings that utilize LIBOR, SOFR or Prime as a reference rate.

The majority of our debt investments are made with either fixed interest rates or floating rates that are subject to contractual minimum interest rates for the term of the investment. As of March 31, 2023, 82% of our debt Investment Portfolio (at cost) bore interest at floating rates, 93% of which were subject to contractual minimum interest rates. As of March 31, 2023, 32% of our debt obligations bore interest at fixed rates. Our interest expense associated with our Credit Facilities will be affected by changes in the published LIBOR or SOFR rates, as applicable. However, the interest rates on our outstanding Series A Notes due 2026 (the “Series A Notes”) are fixed for the life of such debt. As of March 31, 2023, we had not entered into any interest rate hedging arrangements. Due to our limited use of derivatives, we have claimed an exclusion from the definition of the term “commodity pool operator” under the Commodity Exchange Act and, therefore, are not subject to registration or regulation as a pool operator under such Act. The Company intends to operate as a “limited derivatives user” under Rule 18f-4 under the 1940 Act.

The following table shows the approximate annualized increase or decrease in the components of net investment income due to hypothetical base rate changes in interest rates, assuming no changes in our investments and borrowings as of March 31, 2023.

Basis Point Change	Increase (Decrease) in Interest Income	(Increase) Decrease in Interest Expense	Increase (Decrease) in Net Investment Income	Increase (Decrease) in Net Investment Income per Share
	(dollars in thousands, except per share amounts)			
(200)	\$ (15,480)	\$ 6,474	\$ (9,006)	\$ (0.11)
(175)	(13,581)	5,665	(7,916)	(0.10)
(150)	(11,683)	4,855	(6,828)	(0.09)
(125)	(9,787)	4,046	(5,741)	(0.07)
(100)	(7,890)	3,237	(4,653)	(0.06)
(75)	(5,993)	2,428	(3,565)	(0.04)
(50)	(4,096)	1,618	(2,478)	(0.03)
(25)	(2,199)	809	(1,390)	(0.02)
25	1,598	(809)	789	0.01
50	3,492	(1,618)	1,874	0.02
75	5,389	(2,428)	2,961	0.04
100	7,286	(3,237)	4,049	0.05
125	9,183	(4,046)	5,137	0.06
150	11,080	(4,855)	6,225	0.08
175	12,977	(5,665)	7,312	0.09
200	14,874	(6,474)	8,400	0.10

Although we believe that this analysis is indicative of the impact of interest rate changes to our Net Investment Income as of March 31, 2023, the analysis does not take into consideration future changes in the credit market, credit quality, or other business or economic developments that could affect our Net Investment Income. Accordingly, we can

offer no assurances that actual results would not differ materially from the analysis above. The hypothetical results assume that all LIBOR, SOFR and Prime rate changes would be effective on the first day of the period. However, the contractual LIBOR, SOFR and Prime rate reset dates would vary throughout the period. The majority of our investments are based on contracts which reset quarterly while our TIAA Credit Facility and our JPM SPV Facility reset on a monthly and quarterly basis, respectively. The hypothetical results would also be impacted by the changes in the amount of debt outstanding under our Credit Facilities (with an increase (decrease) in the debt outstanding under the Credit Facilities resulting in an (increase) decrease in the hypothetical interest expense).

Item 4. Controls and Procedures

As of the end of the period covered by this quarterly report on Form 10-Q, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer, Chief Financial Officer, Chief Compliance Officer and Chief Accounting Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15 of the Exchange Act). Based on that evaluation, our Chief Executive Officer, Chief Financial Officer, Chief Compliance Officer and Chief Accounting Officer have concluded that our current disclosure controls and procedures are effective in timely alerting them of material information relating to us that is required to be disclosed in the reports we file or submit under the Exchange Act. There have been no changes in our internal control over financial reporting that occurred during the quarter ended March 31, 2023 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*

We, the Adviser and/or Main Street may, from time to time, be involved in litigation arising out of our operations in the normal course of business or otherwise. Furthermore, third parties may seek to impose liability on us, the Adviser and/or Main Street in connection with the activities of our portfolio companies. While the outcome of any current legal proceedings cannot at this time be predicted with certainty, we do not expect any current matters will materially affect our, the Adviser's or Main Street's financial condition or results of operations; however, there can be no assurance whether any pending legal proceedings will have a material adverse effect on our, the Adviser's or Main Street's financial condition or results of operations in any future reporting period.

Item 1A. *Risk Factors*

You should carefully consider the risks described below and all other information contained in this Quarterly Report on Form 10-Q, including our interim consolidated financial statements and the related notes thereto, before making a decision to purchase our securities. The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may have a material adverse effect on our business, financial condition and/or operating results, as well as the market price of our securities.

In addition to the other information set forth in this report, you should carefully consider the risk factors described in Part I *Item 1A. Risk Factors* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 that we filed with the SEC on March 14, 2023, which could materially affect our business, financial condition and/or operating results.

We maintain our cash at financial institutions, often in balances that exceed federally insured limits

Our cash is held in accounts at U.S. banking institutions that we believe are of high quality. Cash held in deposit accounts may exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. If such banking institutions fail, we could lose all or a portion of those amounts held in excess of such insurance limitations. While financial markets recently have encountered volatility associated with concerns about the balance sheets of certain banking institutions and the FDIC has taken control of certain such banks, we have not had any accounts with such banks and therefore have not experienced any direct risk of loss. In addition, our indirect exposure to such banks through our portfolio companies was determined to be immaterial. Any material loss, individually or in the aggregate, from a failed banking relationship above FDIC insurance limits that we may experience in the future, or any inability to access funds pursuant to lending arrangements with such financial institution, could have an adverse effect on our ability to pay our operational expenses or make other payments and may require us to move our accounts, or lending arrangements to other banks, which could cause a temporary delay in making payments to our vendors and employees and cause other operational inconveniences. In addition, if any of our portfolio companies are unable to access funds pursuant to such instruments or lending arrangements with such a financial institution, such portfolio company's ability to pay their obligations or make distributions to us could be adversely affected. Continued strain on the banking system may adversely impact our business, financial condition and result of operations.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

Sales of Unregistered Securities

During the three months ended March 31, 2023, we issued 564,377 shares of our common stock under our dividend reinvestment plan. These issuances were not subject to the registration requirements of the Securities Act of 1933, as amended. The aggregate value of the shares of common stock issued during the three months ended March 31, 2023 under the DRIP was \$4.4 million.

Issuer Purchases of Equity Securities

The following chart summarizes repurchases of our common stock for the three months ended March 31, 2023:

<u>Period</u>	<u>Total number of shares purchased</u>	<u>Average price paid per share</u>	<u>Total number of shares purchased as part of publicly announced plans or programs</u>	<u>Approximate dollar value of shares that may yet be purchased under the plans or programs</u>
January 1 through January 31, 2023	519,489	\$ 7.67	519,489	N/A
February 1 through February 28, 2023	—	—	—	—
March 1 through March 31, 2023	—	—	—	—
Total	<u>519,489</u>		<u>519,489</u>	

Item 6. Exhibits

Listed below are the exhibits which are filed as part of this report (according to the number assigned to them in Item 601 of Regulation S-K):

Exhibit Number	Description of Exhibit
10.1	Seventh Amendment to Amended and Restated Senior Secured Revolving Credit Agreement, dated as of April 27, 2023, by and among the Registrant, the Guarantors party thereto, the lenders party thereto and TIAA, FSB.
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
32.1	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).
32.2	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).
101	The following financial information from our Quarterly Report on Form 10-Q for the first quarter of fiscal year 2023, filed with the SEC on May 12, 2023, formatted in Inline Extensible Business Reporting Language (iXBRL): (i) the Consolidated Balance Sheets at March 31, 2023 and December 31, 2022, (ii) the Consolidated Statements of Operations for the three months ended March 31, 2023 and 2022, (iii) the Consolidated Statements of Changes in Net Assets for the periods ended March 31, 2023 and 2022, (iv) the Consolidated Statements of Cash Flows for the three months ended March 31, 2023 and 2022, (v) the Consolidated Schedule of Investments for the periods ended March 31, 2023 and December 31, 2022, (vi) the Notes to Consolidated Financial Statements and (vii) the Consolidated Schedule 12-14 for the three months ended March 31, 2023 and 2022.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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.

MSC INCOME FUND, INC.

Date: May 12, 2023

/s/ DWAYNE L. HYZAK

Dwayne L. Hyzak
Chief Executive Officer
(principal executive officer)

Date: May 12, 2023

/s/ JESSE E. MORRIS

Jesse E. Morris
Chief Financial Officer and Chief Operating Officer
(principal financial officer)

Date: May 12, 2023

/s/ CORY E. GILBERT

Cory E. Gilbert
Vice President and Chief Accounting Officer
(principal accounting officer)

SEVENTH AMENDMENT TO CREDIT AGREEMENT

This Seventh Amendment to Credit Agreement (this "**Amendment**") is made and entered into effective as of April 27, 2023, by and among MSC INCOME FUND, INC. (F/K/A HMS INCOME FUND, INC.), a Maryland corporation ("**Borrower**"), TIAA, FSB, as successor in interest to certain assets of Everbank Commercial Finance, Inc., as Administrative Agent ("**Administrative Agent**"), the Lenders party hereto, MSC EQUITY HOLDING, LLC (F/K/A HMS EQUITY HOLDING, LLC), a Delaware limited liability company (" **Holding**"), MSC EQUITY HOLDING II, INC. (F/K/A HMS EQUITY HOLDING II, INC.), a Delaware corporation (" **Holding II**"), MSC CALIFORNIA HOLDINGS GP LLC (F/K/A HMS CALIFORNIA HOLDINGS GP LLC), a Delaware limited liability company ("**California Holding GP**"), MSC CALIFORNIA HOLDINGS LP (F/K/A HMS CALIFORNIA HOLDINGS LP), a Delaware limited partnership ("**California Holding LP**"), and HMS FUNDING I LLC, a Delaware limited liability company ("**HMS Funding**"; and together with Holding, Holding II, California Holding GP, and California Holding LP, collectively, "**Guarantors**" and each, a "**Guarantor**").

RECITALS

WHEREAS, Borrower, Capital One, National Association, as original Administrative Agent (the "**Original Agent**") and the Lenders party thereto entered into that certain Senior Secured Revolving Credit Agreement dated as of March 11, 2014 (as supplemented by that certain Joinder and Reaffirmation Agreement dated as of April 15, 2014 (the "**Joinder Agreement**"), executed by Holding for the benefit of Administrative Agent on behalf of the Lenders, as amended by that certain First Amendment to Loan Documents dated as of May 30, 2014 (the "**2014 First Amendment**"), that certain Second Amendment to Credit Agreement dated as of September 22, 2014, that certain Third Amendment to Credit Agreement dated as of May 13, 2015, and that certain Fourth Amendment to Credit Agreement dated as of May 29, 2015, as supplemented by that certain Assignment, Assumption, Joinder and Amendment Agreement dated as of March 6, 2017 (the "**First Assignment and Assumption Agreement**"), and as amended and restated by that certain Amended and Restated Senior Secured Revolving Credit Agreement dated as of March 6, 2017, by and among Borrower, the Guarantors party thereto, Administrative Agent and the Lenders party thereto, as amended by that certain First Amendment to Credit Agreement dated as of October 19, 2017, as supplemented by that certain Assignment, Assumption, Joinder and Amendment Agreement dated as of December 21, 2018 (the "**Second Assignment and Assumption Agreement**"), as amended by that certain Second Amendment to Credit Agreement dated as of March 5, 2020, as amended by that certain Consent and Third Amendment to Credit Agreement dated as of September 25, 2020, as amended by that certain Fourth Amendment to Credit Agreement dated as of January 27, 2021, as amended by that certain Fifth Amendment to Credit Agreement dated as of July 27, 2021, as amended by that certain Sixth Amendment to Credit Agreement dated as of September 22, 2021, and as further amended, modified, restated, supplemented, renewed or extended from time to time prior to the date hereof, the "**Credit Agreement**"); and

WHEREAS, Borrower has requested that the Lenders and the Administrative Agent amend certain provisions to the Credit Agreement, and said parties are willing to do so subject to the terms and conditions set forth herein, provided that Borrower and Guarantors ratify and confirm all of their respective obligations under the Credit Agreement and each other Loan Document to which each is a party;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth in this Amendment, Borrower, each Guarantor, the Lenders party hereto and the Administrative Agent agree as follows:

1. **Defined Terms.** Unless otherwise defined herein, capitalized terms used herein have the meanings assigned to them in the Credit Agreement, as amended hereby.

2. Amendments to the Credit Agreement. As of the date of this Amendment, the Credit Agreement (including the schedules and exhibits thereto) is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the bold and double-underlined text (indicated textually in the same manner as the following example: **bold and double-underlined text**) as set forth on the pages of the Credit Agreement attached as Appendix A hereto. Notwithstanding the foregoing, each existing Euro-Dollar Advance (as defined in the Credit Agreement) based on the "LIBO Rate" (as defined in the Credit Agreement) outstanding on the date hereof shall continue to remain outstanding as a "Euro-Dollar Advance" (as defined in the Credit Agreement") based on the "LIBO Rate" (as defined in the Credit Agreement) that is subject to the definitions, terms and provisions set forth in the Credit Agreement until the end of the current Interest Period (as defined in the Credit Agreement) applicable to such Euro-Dollar Advance (as defined in the Credit Agreement) and, upon the end of such Interest Period (as defined in the Credit Agreement), such Euro-Dollar Advance (as defined in the Credit Agreement) shall, pursuant to the definitions, terms and provisions of the Credit Agreement (after giving effect to this Amendment), in the absence of the delivery of a timely Notice of Conversion, automatically convert to a Euro-Dollar Advance (as defined in the Credit Agreement (after giving effect to this Amendment)) on the last day of the then current Interest Period with respect thereto.

3. Conditions to Effectiveness. This Amendment shall be effective upon satisfaction of each of the following conditions:

(a) the Administrative Agent (or its counsel) shall have received from each of the Administrative Agent, the Borrower, the Guarantors, and the Lenders party hereto (which constitute all Lenders), either (a) a counterpart of this Amendment signed on behalf of such party or (b) written evidence satisfactory to the Administrative Agent (which may include telecopy transmission of a signed signature page of this Amendment) that such party has signed a counterpart of this Amendment;

(b) the Administrative Agent shall have received all amounts due and owing as of the date hereof, including (i) all reasonable and documented out-of-pocket costs and expenses incurred by Administrative Agent in the preparation and documentation of this Amendment (inclusive of reasonable and documented attorneys' fees and out-of-pocket expenses of Blank Rome LLP) and (ii) payment of all other reasonable and documented out-of-pocket fees and reimbursement or payment of all reasonable and documented out-of-pocket expenses required to be reimbursed or paid by Borrower on the date hereof, in each case, to the extent that invoices have been provided to Borrower at least one (1) Business Day prior to the date hereof; and

(c) the Administrative Agent shall have received all documents and other items that it may reasonably request relating to any other matters relevant hereto, all in form and substance reasonably satisfactory to the Administrative Agent.

4. Representations, Warranties and Agreements. Each of the Borrower and each Guarantor represents, warrants and agrees as follows:

(a) it is duly authorized and empowered to execute, deliver and perform this Amendment; all organizational action on its part requisite for the due execution, delivery and the performance of this Amendment has been duly and effectively taken;

(b) after giving effect to this Amendment, the representations and warranties of the Borrower and the Guarantors contained in the Credit Agreement, as amended hereby, and any other Loan Documents to which it is a party executed in connection herewith or therewith are true in all material respects on and as of the date hereof as though made on and as of the date hereof, except to the extent that such representation or warranty was made as of a specific date, in which case such representation or warranty was true in all material respects when made;

(c) after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing; and

(d) when duly executed and delivered, this Amendment and any other Loan Documents entered into in connection herewith will constitute valid and binding obligations of it, enforceable in accordance with their respective terms, provided that the enforceability hereof and thereof is subject in each case to general principles of equity and to bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights generally.

5. Notices. The Administrative Agent and each Lender party hereto acknowledges and agrees that this Amendment constitutes all timely notices required under the Credit Agreement with respect to the amendments to the Credit Agreement contemplated hereby.

6. Continuing Effect of the Credit Agreement. This Amendment shall not constitute a waiver of any provision not expressly referred to herein and shall not be construed as a consent to any action on the part of Borrower or Guarantors that would require a waiver or consent of the Lenders or an amendment or modification to any term of the Loan Documents except as expressly stated herein. Except as expressly modified hereby, the provisions of the Credit Agreement and the Loan Documents are and shall remain in full force and effect.

7. Ratification. Borrower and each Guarantor hereby confirm and ratify the Credit Agreement, the Collateral Documents and each of the other Loan Documents to which it is a party, as amended hereby, and acknowledge and agree that the same shall continue in full force and effect, as amended hereby and by any prior amendments thereto. Nothing in this Amendment extinguishes, novates or releases any right, claim, lien, security interest or entitlement of any of the Lenders or the Administrative Agent created by or contained in any of such documents nor is Borrower or any other Guarantor released from any covenant, warranty or obligation created by or contained herein or therein.

8. Reconfirmation of Grant of Security Interest. To secure the prompt payment and performance of the Obligations, each Loan Party reconfirms the collateral assignment, pledge and grant to the Administrative Agent, for the benefit of the Secured Parties, pursuant to and subject to the terms and limitations contained in the Collateral Documents of a continuing security interest in and Lien on all of the Collateral (as defined in each such Collateral Document) of such Loan Party.

9. Counterparts. This Amendment may be executed by all parties hereto in any number of separate counterparts each of which may be delivered in original, electronic or facsimile form and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

10. References. The words "hereby," "herein," "hereinabove," "hereinafter," "hereinbelow," "hereof," "hereunder" and words of similar import when used in this Amendment shall refer to this Amendment as a whole and not to any particular article, section or provision of this Amendment. References in this Amendment to an article or section number are to such articles or sections of this Amendment unless otherwise specified.

11. Headings Descriptive. The headings of the several sections and subsections of this Amendment are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Amendment.

12. Governing Law. This Amendment shall be governed by and construed in accordance with the law of the State of New York, without regard to such state's conflict of laws rules which would have the effect of applying the laws of any other jurisdiction.

13. Final Agreement of the Parties. THIS AMENDMENT, THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[Signature Pages Follow]

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

BORROWER:

MSC INCOME FUND, INC. (F/K/A HMS INCOME FUND, INC.), a Maryland corporation

By: /s/ Cory E. Gilbert

Name: Cory E. Gilbert

Title: Chief Accounting Officer

[Signature Page to Seventh Amendment to Credit Agreement]

GUARANTORS:

MSC EQUITY HOLDING, LLC (F/K/A HMS EQUITY HOLDING, LLC), a Delaware limited liability company

By: MSC INCOME FUND, INC. (F/K/A HMS INCOME FUND, INC.), a Maryland corporation, its Managing Member

By: /s/ Cory E. Gilbert

Name: Cory E. Gilbert

Title: Chief Accounting Officer

MSC EQUITY HOLDING II, INC. (F/K/A HMS EQUITY HOLDING II, INC.), a Delaware corporation

By: /s/ Cory E. Gilbert

Name: Cory E. Gilbert

Title: Chief Accounting Officer

MSC CALIFORNIA HOLDINGS GP LLC (F/K/A HMS CALIFORNIA HOLDINGS GP LLC), a Delaware limited liability company

By: /s/ Cory E. Gilbert

Name: Cory E. Gilbert

Title: Chief Accounting Officer

MSC CALIFORNIA HOLDINGS LP (F/K/A HMS CALIFORNIA HOLDINGS LP), a Delaware limited partnership

By: MSC CALIFORNIA HOLDINGS GP LLC, its general partner

By: /s/ Cory E. Gilbert

Name: Cory E. Gilbert

Title: Chief Accounting Officer

HMS FUNDING I LLC, a Delaware limited liability company

By: /s/ Cory E. Gilbert

Name: Cory E. Gilbert

Title: Chief Accounting Officer

[Signature Page to Seventh Amendment to Credit Agreement]

ADMINISTRATIVE AGENT AND LENDER:

TIAA, FSB

By: /s/ Martin O'Brien

Name: Martin O'Brien

Title: Director

[Signature Page to Seventh Amendment to Credit Agreement]

LENDER:

VERITEX COMMUNITY BANK

By: /s/ Ryan Craig

Name: Ryan Craig

Title: Vice President

[Signature Page to Seventh Amendment to Credit Agreement]

LENDER:

CUSTOMERS BANK

By: /s/ Lyle P. Cunningham

Name: Lyle P. Cunningham

Title: Executive Vice President

[Signature Page to Seventh Amendment to Credit Agreement]

LENDER:

TRUSTMARK NATIONAL BANK

By: /s/ Jeff Deutsch

Name: Jeff Deutsch

Title: Senior Vice President

[Signature Page to Seventh Amendment to Credit Agreement]

LENDER:

HANCOCK WHITNEY BANK

By: /s/ William Jochetz

Name: William Jochetz

Title: Senior Vice President

[Signature Page to Seventh Amendment to Credit Agreement]

LENDER:

CITY NATIONAL BANK

By: /s/ Andrew Miller

Name: Andrew Miller

Title: Vice President

[Signature Page to Seventh Amendment to Credit Agreement]

APPENDIX A
AMENDED CREDIT AGREEMENT

AMENDED AND RESTATED SENIOR SECURED REVOLVING CREDIT AGREEMENT

dated as of March 11, 2014 and
amended and restated as of March 6, 2017

among

MSC INCOME FUND, INC.,

as Borrower,

MSC EQUITY HOLDING, LLC, MSC EQUITY HOLDING II, INC., MSC CALIFORNIA HOLDINGS LP) AND MSC CALIFORNIA HOLDINGS
GP LLC,

as Guarantors,

The Lenders Listed Herein,

as Lenders,

TIAA, FSB,

as Administrative Agent,

and

TIAA, FSB,

as Sole Lead Arranger and Sole Bookrunner

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**AMENDED AND RESTATED
SENIOR SECURED REVOLVING CREDIT AGREEMENT**

THIS AMENDED AND RESTATED SENIOR SECURED REVOLVING CREDIT AGREEMENT is dated as of March 11, 2014 (and amended and restated as of March 6, 2017, this "**Agreement**") among MSC INCOME FUND, INC., a Maryland corporation as Borrower, MSC EQUITY HOLDING, LLC, as a Guarantor, MSC EQUITY HOLDING II, INC., as a Guarantor, MSC CALIFORNIA HOLDINGS LP, as a Guarantor, MSC CALIFORNIA HOLDINGS GP LLC, as a Guarantor, HMS FUNDING I LLC, as a Guarantor, the LENDERS listed on the signature pages hereof, as Lenders and TIAA, FSB, as successor in interest to certain assets of EverBank Commercial Finance, Inc. ("**TIAA**"), as Administrative Agent (the "**Administrative Agent**"), Sole Lead Arranger and Sole Bookrunner.

RECITALS:

WHEREAS, the Borrower, Capital One, National Association, as Administrative Agent (the "**Original Agent**") and certain Lenders are parties to that certain Credit Agreement dated as of May 24, 2012, whereby the lenders therein have extended credit to the Borrower, as amended by that certain First Amendment to Credit Agreement dated as of August 16, 2013 and as further amended by that certain Second Amendment to Credit Agreement dated as of November 19, 2013 (collectively, the "**Original Agreements**");

WHEREAS, the Borrower, the Original Agent and certain Lenders are parties to that certain Senior Secured Revolving Credit Agreement dated as of March 11, 2014, (as supplemented by that certain Joinder and Reaffirmation Agreement dated as of April 15, 2014 (the "**Joinder Agreement**") executed by HMS Equity Holding, LLC, a Delaware limited liability company) which amended, restated and otherwise superseded the Original Agreements, as amended by that certain First Amendment to Credit Agreement dated as of May 30, 2014 and as further amended by that certain Second Amendment to Credit Agreement dated as of September 22, 2014, that certain Third Amendment to Credit Agreement dated as of May 13, 2015, that certain Fourth Amendment to Credit Agreement dated as of May 29, 2015, and that certain Fifth Amendment to Credit Agreement dated as of July 27, 2021 (collectively, the "**Existing Credit Agreement**");

WHEREAS, the parties hereto desire to enter into this Agreement, which shall amend and restate and otherwise supersede the Existing Credit Agreement and provide that the Lenders may continue to extend credit to the Borrower as provided in this Agreement;

WHEREAS, the Borrower has requested that the Lenders provide revolver commitments pursuant to which loans will be made from time to time prior to the Termination Date (as defined below);

WHEREAS, the Lenders are willing, on the terms and subject to the conditions hereinafter set forth, to extend the revolver commitments and make loans to the Borrower; and

NOW THEREFORE, in consideration of the premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.01. **Definitions.** The terms as defined in this **Section 1.01** shall, for all purposes of this Agreement and any amendment hereto (except as otherwise expressly provided or unless the context otherwise requires), have the meanings set forth herein:

~~LBO~~ “**ABR**” means the greatest of (i) the Prime Rate, (ii) the federal funds effective rate from time to time plus 0.5% and (iii) the Adjusted Term SOFR Rate for a one-month interest period on the applicable date plus 1.0%.

“**ABR Borrowing**” has the meaning set forth in the definition of “**Borrowing**”.

“**ABR Advance**” means, with respect to any Advance, such Advance when such Advance bears or is to bear interest at a rate based upon the ABR.

“**Acquisition**” means any transaction or series of related transactions (other than a Portfolio Investment) for the purpose of, or resulting in, directly or indirectly, (a) the acquisition by the Borrower or any Subsidiary of all or substantially all of the assets of a Person (other than a Subsidiary) or of any business or division of a Person (other than a Subsidiary), (b) the acquisition by the Borrower or any Subsidiary of more than 50% of any class of Voting Stock (or similar ownership interests) of any Person (provided that formation or organization of any Wholly Owned Subsidiary shall not constitute an “Acquisition” to the extent that the amount of the Investment in such entity is permitted under **Sections 5.08** and **5.12**), or (c) a merger, consolidation, amalgamation or other combination by the Borrower or any Subsidiary with another Person (other than a Subsidiary) if the Borrower or such Subsidiary is the surviving entity; provided that in any merger involving the Borrower, the Borrower must be the surviving entity.

“**Adjusted Borrowing Base**” means, as of any date of determination, the Borrowing Base minus the aggregate amount of Cash and Cash Equivalents included in such Borrowing Base.

“**Adjusted Term SOFR**” means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation, plus (b) subject to the provisions of Section 8.01(b), the Term SOFR Adjustment.

“**Administrative Agent**” means TIAA, in its capacity as administrative agent for the Lenders, and its successors and permitted assigns in such capacity.

“**Administrative Questionnaire**” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“**Advance Rate**” means, as to any Eligible Investment and subject to adjustment as provided in the definition of Borrowing Base, the following percentages with respect to such Eligible Investment:

Portfolio Investment	Advance Rate
Cash and Cash Equivalents	100%
Eligible Quoted Senior Bank Loan Investments (with a Value of at least 85% of par value of such Investments)	80%
Eligible Quoted Senior Bank Loan Investments (with a Value of less than 85% and greater than 65% of par value of such Investments)	40%
Eligible Investment Grade Debt Securities (with a Value of at least 85% of par value of such Debt Securities)	80%
Eligible Investment Grade Debt Securities (with a Value of less than 85% and greater than 65% of par value of such Debt Securities)	40%
Eligible Core Portfolio Investments	70%
Eligible Unquoted Senior Bank Loan Investments and Eligible Non-Investment Grade Debt Securities	65%

“**Advances**” means collectively the Revolver Advances and the Swing Advances. “**Advance**” means any one of such Advances, as the context may require.

“**Adviser**” means MSC Adviser I, LLC, a Delaware limited liability company, any Affiliate thereof, or any other permitted assignee approved by the Administrative Agent pursuant to **Section 5.45** hereof.

“**Adviser Event**” means the occurrence of any one or more of the following events: (a) any failure by the Adviser to make any payment, transfer or deposit required to be made by the Borrower into an account established and maintained by the Collateral Custodian in the name of the Borrower (and any sub-accounts related thereto) which is subject to a Custodial Agreement, which failure continues unremedied for a period of two Business Days; or (b) the occurrence of any of the events listed in Sections 9(b)(i)-9(b)(v) of the Advisory Agreement.

“**Advisory Agreement**” means the Investment Advisory and Administrative Services Agreement, executed by and between Borrower, or any successor-in-interest to the Borrower, and the Adviser, or any permitted assignee to such Adviser, and any and all amendments, supplements, modifications or replacements thereto as approved by the Administrative Agent pursuant to the terms of this Agreement.

“**Affected Financial Institution**” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“**Affiliate**” of any Person at any time means (i) any other Person which directly, or indirectly through one or more intermediaries, controls such Person at such time, (ii) any other Person which directly, or indirectly through one or more intermediaries, is controlled by or is under common control with such Person at such time, or (iii) any other Person of which such Person owns, directly or indirectly, 10% or more of the common stock or equivalent equity interests at such time. As used herein, the term “control” means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise; provided, however, “control” shall not include “negative” control or “blocking” rights whereby action cannot be taken without the vote or consent of any Person. Notwithstanding the foregoing, the term “**Affiliate**” shall not include any Person that is an “**Affiliate**” solely by reason of the Borrower or any Subsidiary’s investment therein in connection with a Core Portfolio Investment in the ordinary course of business and consistent with the Investment Policies.

“**Agent Parties**” has the meaning set forth in **Section 9.01(d)**.

“**Agreement**” means this Credit Agreement, together with all amendments and supplements hereto.

“**Anti-Money Laundering Laws**” means applicable laws or regulations in any jurisdiction in which the Borrower or any Loan Party is located or doing business that relates to money laundering, any predicate crime to money laundering, or any financial record keeping and reporting requirements related thereto.

“**Applicable Laws**” means all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes, executive orders, and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“**Applicable Margin**” has the meaning set forth in **Section 2.06(a)**.

“**Applicable Percentage**” means with respect to any Lender, the percentage of the total Revolver Commitments represented by such Lender’s Revolver Commitment. If the Revolver Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Revolver Commitments most recently in effect, giving effect to any assignments.

“**Approved Dealer**” means a broker-dealer acceptable to the Administrative Agent in its sole discretion. The Administrative Agent acknowledges and agrees that the following broker-dealers are acceptable as Approved Dealers: Credit Suisse Group AG, Bank of America, Wells Fargo & Company, Citigroup, Inc., Goldman Sachs & Co., Deutsche Bank AG, UBS AG, Toronto Dominion Bank, Jefferies Group, Inc., Macquarie Group, Ltd., Barclays PLC, Royal Bank of Scotland, Bank of New York, Royal Bank of Canada, JP Morgan Chase & Co. and Morgan Stanley.

“**Approved Fund**” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“**Approved Pricing Service**” means a pricing or quotation service acceptable to the Administrative Agent in its sole discretion. The Administrative Agent acknowledges and agrees that the following pricing and quotation services are acceptable as an Approved Pricing Service: (i) Markit; (ii) Loan Pricing Corporation (LPC); (iii) LoanX, Inc.; and (iv) IDC.

“**Asset Coverage Ratio**” means on a consolidated basis for Borrower and its Consolidated Subsidiaries, the ratio which the value of total assets, less all liabilities and indebtedness not represented by Senior Securities, bears to the aggregate amount of Senior Securities representing indebtedness of the Borrower and its Consolidated Subsidiaries (all as determined pursuant to the Investment Company Act and any no-action letters or orders of the Securities Exchange Commission issued to or with respect to the Borrower or generally to business development companies thereunder, including, without limitation any exemptive relief granted by the Securities Exchange Commission with respect to the Debt of any joint venture, Structured Subsidiary or otherwise (including, for the avoidance of doubt, any exclusion of such Debt in the foregoing calculation)).

“**Assignment and Assumption**” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by **Section 9.07**), and accepted by the Administrative Agent, in substantially the form of **Exhibit L** or any other form approved by the Administrative Agent.

“**Assignment of Mortgage**” means, as to each Portfolio Investment 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 Portfolio Investment and, to the extent requested by the Administrative Agent, 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 in form and substance acceptable to the Administrative Agent.

“**Available Tenor**” means, as of any date of determination and with respect to the then current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement 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 “Interest Period” pursuant to clause (f) of Section 8.01.

“**Bail-In Action**” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“**Bail-In Legislation**” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time that is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“**Bailee Agreement**” means an agreement in form and substance reasonably acceptable to the Administrative Agent and executed by a Person (other than an Obligor, a Loan Party or any of their respective Affiliates) that is in possession of any Collateral pursuant to which such Person acknowledges the Lien of the Administrative Agent for the benefit of the Secured Parties.

“**Bank Products**” means any: (a) Hedging Agreements; and (b) other services or facilities provided to any Loan Party by any Lender that provides the initial funding of any Revolver Commitment on the Sixth Amendment Effective Date or any Additional Lender that provides the funding of a Revolver Commitment on any Commitment Increase Date (but not any assignee of any of the foregoing Lenders) or any of their respective Affiliates, in each case solely until such Person has assigned all of its interests under this Agreement (each, in such capacity, a “**Bank Product Bank**”) (but excluding Cash Management Services) with respect to (i) credit cards, (ii) purchase cards, (iii) merchant services constituting a line of credit, and (iv) leasing.

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

“**Benchmark**” means, initially, the ~~LIBO~~Term SOFR Reference Rate; provided that, if a Benchmark Transition Event, ~~a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have~~ has occurred with respect to the ~~LIBO~~Term SOFR Reference Rate or 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 clause (b) or clause (c) of Section 8.01.

“**Benchmark Replacement**” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

~~(1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;~~

~~(2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;~~

~~(3) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor 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 the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;~~

~~provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is 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; provided further that, notwithstanding anything to the contrary in this Agreement or in any other Loan Document, upon the occurrence of a Term SOFR Transition Event, and the delivery of a Term SOFR Notice, on the applicable Benchmark Replacement Date the “Benchmark Replacement” shall revert to and shall be deemed to be the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment, as set forth in clause (1) of this definition (subject to the first proviso above). If the Benchmark Replacement as determined pursuant to clause (1); or (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.~~

“**Benchmark Replacement Adjustment**” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement ~~for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:~~

~~the spread adjustment, or method for calculating or determining such spread adjustment (1) for purposes of clauses (1) and (2) of the definition of “Benchmark Replacement,” the first alternative set forth in the order below that can be determined by the Administrative Agent:~~

~~(a) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor; and~~

~~(b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period~~

~~that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and~~

~~(2) for purposes of clause (3) of the definition of “Benchmark Replacement,” the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor 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 on the applicable Benchmark Replacement Date 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~~ Dollar-denominated syndicated credit facilities; at such time.~~

~~provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.~~

~~“**Benchmark Replacement Conforming Changes**” means, with respect to any Benchmark Replacement, any technical, administrative or operational change (including any change to the definition of “ABR,” the definition of “Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides, in its reasonable discretion, may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the 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 such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides, in its reasonable discretion, is reasonably necessary in connection with the administration of this Agreement or any other Loan Document).~~

~~“**Benchmark Replacement Date**” means a date and time determined by the Administrative Agent, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:~~

~~(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, 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 all Available Tenors of such Benchmark (or the published component used in the calculation thereof) has been or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) have been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.~~

~~(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein;~~

~~(3) in the case of an Early Opt-in Election, the eleventh (11th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 P.M. (New York City time) on the tenth (10th) Business Day after the date of notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders;~~

~~(4) in the case of a Term SOFR Transition Event, the date that is ninety (90) days after the date a Term SOFR Notice is provided to the Lenders and the Borrowers pursuant to Section 8.01(e);~~

For the avoidance of doubt, ~~(i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) if such Benchmark is a term rate, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (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: **“Benchmark Transition Event”** means the occurrence of one or more of the following events with respect to the then-current

(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 [such Benchmark \(or such component thereof\) or, if such Benchmark is a term rate](#), 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 [such Benchmark \(or such component thereof\) or, if such Benchmark is a term rate](#), 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 [such Benchmark \(or such component thereof\) or, if such Benchmark is a term rate](#), 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 [such Benchmark \(or such component thereof\) or, if such Benchmark is a term rate](#), any Available Tenor of such Benchmark (or such component thereof); or

(3) 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) announcing that [such Benchmark \(or such component thereof\) or, if such Benchmark is a term rate](#), all Available Tenors of such Benchmark (or such component thereof) are ~~no longer~~not, or as of a specified future date will not be, representative.

For the avoidance of doubt, [if such Benchmark is a term rate](#), 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 Unavailability Period**” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date ~~pursuant to clauses (1) or (2) of that definition~~ has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.04 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any other Loan Document in accordance with [clauses \(b\) through clause \(f\) of Section 2.04](#)~~8.01~~.

“**Beneficial Ownership Certification**” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation, in form and substance satisfactory to Administrative Agent and the applicable Lenders.

“**Beneficial Ownership Regulation**” means 31 C.F.R. § 1010.230 (as amended, modified or supplemented from time to time).

“**Borrower**” means MSC Income Fund, Inc. and its successors and its permitted assigns.

“**Borrowing**” means a borrowing hereunder consisting of Revolver Advances made to the Borrower at the same time by all of the Lenders pursuant to [Article II](#). “**ABR Borrowing**” means a Borrowing if such Advances are ABR Advances. “**Euro-Dollar Borrowing**” means a Borrowing if such Advances are Euro-Dollar Advances.

“**Borrowing Base**” means, based on the most recent Borrowing Base Certification Report which as of the date of a determination of the Borrowing Base has been received by the Administrative Agent, the lesser of (x) the sum of the applicable Advance Rates of the aggregate Value of each Eligible Investment identified in the definition of “Advance Rate” in [Section 1.01](#) of this Agreement (including Pre-Positioned Investments) and (y) the aggregate Values of each Eligible Investment, excluding Cash and Cash Equivalents, multiplied by the Maximum Portfolio Advance Rate, plus the Value of Cash and Cash Equivalents included in such Borrowing Base Certification Report; provided, however, that:

(a) in no event shall more than 50% of the aggregate value of the Borrowing Base consist of Eligible Non-Investment Grade Debt Securities and Eligible Unquoted Senior Bank Loan Investments (in each case after giving effect to Advance Rates);

(b) in no event shall more than 15% of the aggregate value of the Borrowing Base consist of debtor-in-possession Investments (in each case after giving effect to Advance Rates);

(c) for purposes of calculating the Borrowing Base, no single Portfolio Investment (excluding Cash and Cash Equivalents) shall be included in the Borrowing Base at a Value in excess of 10% of the Borrowing Base (in each case after giving effect to Advance Rates);

(d) all filings and other actions required to perfect the first-priority security interest (subject to Permitted Encumbrances) of the Administrative Agent on behalf of the Secured Parties in the Portfolio Investments comprising the Borrowing Base have been made or taken (and any Portfolio Investment for which all perfection steps have not been completed, including without limitation notes, equities and securities perfected by possession that have not yet been delivered to the Collateral Custodian or a bailee that has delivered a valid, binding and effective Bailee Agreement to the Administrative Agent in accordance with [Section 5.40](#), shall be excluded from the Borrowing Base until such collateral has been perfected);

(e) in no event shall more than: (i) 20% of the aggregate value of the Borrowing Base consist of Eligible Investments (excluding Cash and Cash Equivalents) in the Largest Industry Classification Group, (ii) 20% of the aggregate value of the Borrowing Base

consist of Eligible Investments (excluding Cash and Cash Equivalents) in the Second Largest Industry Classification Group, (iii) 15% of the aggregate value of the Borrowing Base consist of Eligible Investments (excluding Cash and Cash Equivalents) in any single Industry Classification Group (other than the Largest Industry Classification Group or the Second Largest Industry Classification Group), in each case, without duplication, after giving effect to Advance Rates, (iv) 5% of the aggregate value of the Borrowing Base consist of Eligible Investments (excluding Cash and Cash Equivalents) in the Industry Classification Group of "Energy: Oil & Gas" and (v) 5% of the aggregate value of the Borrowing Base consist of Eligible Investments (excluding Cash and Cash Equivalents) in the Industry Classification Group of "Metals & Mining";

(f) no more than 20% of the Borrowing Base shall consist of loans with Net Senior Leverage Ratio exceeding 6.25x;

(g) if the Weighted Average Net Senior Leverage Ratio of loans in the collateral pool exceeds 5.0x (excluding, from this calculation, LTV Investments (other than those identified as LTV Investments pursuant to clause (xxxii) of the definition of "Eligible Core Portfolio Investment", clause (xv) of the definition of "Eligible Debt Security" or clause (xxviii) of the definition of "Eligible Senior Bank Loan Investment") and loans with negative EBITDA), then amounts of the most highly leveraged loans will be excluded from the Borrowing Base until the ratio no longer exceeds 5.0x;

(h) in no event shall more than 10% of the aggregate value of the Borrowing Base consist of (i) LTV Investments (for the avoidance of doubt, whether such LTV Investment has positive or negative EBITDA) plus (ii) loans (other than LTV Investments) with negative EBITDA (in the case of each of clauses (i) and (ii), after giving effect to Advance Rates);and

(i) if the Weighted Average Yield Test of loans in the collateral pool is less than the sum of ~~the LIBO Rate~~Adjusted Term SOFR plus 3.75% per annum, then amounts of the loans with the lowest rate per annum of current cash interest will be excluded from the Borrowing Base until such test is equal to or exceeds the sum of the ~~LIBO Rate~~Adjusted Term SOFR plus 3.75% per annum.

For the avoidance of doubt, (x) to avoid double counting of the portfolio limitations set forth in clauses (a)-(i) above, any reduction specified above shall be without duplication of any other such reduction and (y) to the extent the Borrowing Base is required to be reduced to comply with any of the portfolio limitations specified above, the Borrower shall be permitted to choose the Portfolio Investments, or portions of such Portfolio Investments, to be excluded from the Borrowing Base to effect such reduction. For purposes of this Agreement, the Borrower shall assign each Eligible Core Portfolio Investment, Eligible Debt Security and Eligible Senior Bank Loan Investment to an Industry Classification Group as reasonably determined by the Borrower. To the extent that the Borrower reasonably determines that any Investments are not adequately correlated with risk of other investments in an Industry Classification Group, such Investment may be assigned by the Borrower to an Industry Classification Group that is more closely correlated to such Investment.

"Borrowing Base Certification Report" means a report in the form attached hereto as Exhibit D, and otherwise reasonably satisfactory to the Administrative Agent, certified by the chief financial officer or other authorized officer of the Borrower regarding the Eligible Investments, and including or attaching a list of all Portfolio Investments included in the Borrowing Base and the most recent Value (and the source of determination of the Value) for each. Upon receipt by the Administrative Agent, a Borrowing Base Certification Report shall be subject to the Administrative Agent's satisfactory review, acceptance or correction, in the exercise of its reasonable discretion, that such Borrowing Base Certification Report complies with the terms and conditions set forth herein.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the laws of, or are in fact closed in, the State of New York and, if such day relates to any Euro-Dollar Borrowing, means any ~~Euro-Dollar~~U.S. Government Securities Business Day.

“**Capital Expenditures**” means for any period the sum of all capital expenditures incurred during such period by the Borrower and its Consolidated Subsidiaries, as determined in accordance with GAAP; provided that in no event shall a Portfolio Investment be considered a Capital Expenditure.

“**Capital One**” means Capital One, National Association, and its successors.

“**Capital Securities**” means, with respect to any Person, any and all shares, interests (including membership interests and partnership interests), participations or other equivalents (however designated, whether voting or non-voting) of such Person’s capital (including any instruments convertible into equity), whether now outstanding or issued after the Closing Date.

“**Cash**” means money, currency or a credit balance in any demand or deposit account with a United States federal or state chartered commercial bank of recognized standing having capital and surplus in excess of \$500 million, so long as such bank has not been a Defaulting Lender for more than three (3) business days after notice to Borrower, or its Subsidiary, as applicable (which notice may be given by telephone or e-mail), which bank or its holding company has a short-term commercial paper rating of: (a) at least A-1 or the equivalent by Standard & Poor’s Rating Services or at least P-1 or the equivalent by Moody’s Investors Service, Inc., or (b) at least A-2 or the equivalent by Standard & Poor’s Rating Services or at least P-2 or the equivalent by Moody’s Investors Service, Inc. (or, in the case of a current Lender only, if not rated by Standard & Poor’s Rating Services or Moody’s Investor’s Service, Inc., such Lender is rated by another rating agency acceptable to the Administrative Agent and such Lender’s rating by such rating agency is not lower than its rating by such rating agency on the Sixth Amendment Effective Date) and (i) all amounts and assets credited to such account are directly and fully guaranteed or insured by the United States of America or any agency thereof (provided that the full faith and credit of the United States is pledged in support thereof) or (ii) such bank is otherwise acceptable at all times and from time to time to the Administrative Agent in its sole discretion. The Administrative Agent acknowledges that, on the Sixth Amendment Effective Date, Amegy Bank, a division of ZB, National Association (formerly known as Amegy Bank National Association), and each current Lender hereunder are acceptable banks within the meaning of clause (b)(ii) of this definition.

“**Cash Equivalents**” means (a) securities issued or directly and fully guaranteed or insured by the United States of America or any agency thereof (provided that the full faith and credit of the United States is pledged in support thereof) with maturities of not more than one year from the date acquired; (b) time deposits and certificates of deposit with maturities of not more than one (1) year from the date acquired issued by a United States federal or state chartered commercial bank of recognized standing having capital and surplus in excess of \$500 million, and which bank or its holding company has a short-term commercial paper rating of at least A-1 or the equivalent by Standard & Poor’s Ratings Services or at least P-1 or the equivalent by Moody’s Investors Service, Inc.; and (c) investments in money market funds (i) which mature not more than ninety (90) days from the date acquired and are payable on demand, (ii) with respect to which there has been no failure to honor a request for withdrawal, (iii) which are registered under the Investment Company Act of 1940, as amended, (iv) which have net assets of at least \$500,000,000 and (v) which maintain a stable share price of not less than One Dollar (\$1.00) per share and are either (A) directly and fully guaranteed or insured by the United States of America or any agency thereof (provided that the full faith and credit of the United States is pledged in support thereof) or (B) maintain a rating of at least A-2 or better by Standard & Poor’s Rating Services and are maintained with an investment fund manager that is otherwise acceptable at all times and from time to time to the Administrative Agent in its sole discretion; provided that, notwithstanding the foregoing, no asset, agreement, or investment maintained or entered into with, or issued, guaranteed by, or administered by a Lender that has been a Defaulting Lender for more than three (3) business days after notice to Borrower, or its Subsidiary, as applicable (which notice may be given by telephone or e-mail), shall be a “**Cash Equivalent**” hereunder. The Administrative Agent acknowledges that, on the Sixth Amendment Effective Date, Fidelity Investments is an acceptable investment fund manager within the meaning of the foregoing clause (B).

“**Cash Interest Coverage Ratio**” means with respect to a Debt Security or a Senior Bank Loan Investment (in each case, other than LTV Investments (other than those identified as LTV

Investments pursuant to clause (xxxii) of the definition of “Eligible Core Portfolio Investment”, clause (xv) of the definition of “Eligible Debt Security” or clause (xxviii) of the definition of “Eligible Senior Bank Loan Investment”), either (a) the “Cash Interest Coverage Ratio” or comparable definition set forth in the underlying Investment Documents for such Debt Security or Senior Bank Loan Investment, or (b) in the case of any Debt Security or Senior Bank Loan Investment with respect to which the related underlying Investment Documents do not include a definition of “Cash Interest Coverage Ratio” or comparable definition, the ratio of (i) EBITDA to (ii) Cash Interest Expense of such Obligor with respect to the applicable Relevant Test Period, as calculated by the Borrower in good faith.

“**Cash Interest Expense**” means with respect to any Obligor, the amount which, in conformity with GAAP, would be set forth opposite the caption “interest expense” or any like caption reflected for the last four full fiscal quarters for which financial statements have been provided to the Borrower by or on behalf of any Obligor with respect to the related Debt Security or Senior Bank Loan Investment; provided that with respect to any Obligor for which four full fiscal quarters of economic data are not available, Cash Interest Expense shall be determined for such Obligor based on annualizing the economic data from the reporting periods actually available.

“**Cash Management Services**” means any one or more of the following types of services or facilities provided to any Loan Party by any Lender that provides the initial funding of any Revolver Commitment on the Sixth Amendment Effective Date or any Additional Lender that provides the funding of a Revolver Commitment on any Commitment Increase Date (but not any assignee of any of the foregoing Lenders) or any of their respective Affiliates, in each case solely until such Person has assigned all of its interests under this Agreement (each, in such capacity, a “**Cash Management Bank**”): (a) ACH transactions, (b) cash management services, including, without limitation, controlled disbursement services, treasury, depository, overdraft, and electronic funds transfer services, (c) foreign exchange facilities, (d) credit or debit cards, and (e) merchant services not constituting a Bank Product.

“**CERCLA**” means the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. §9601 et seq. and its implementing regulations and amendments.

“**Change in Control**” means the occurrence after the Sixth Amendment Effective Date of any of the following: (i) any Person or two or more Persons acting in concert (excluding the Persons that are officers and directors of the Borrower on the Sixth Amendment Effective Date) shall have acquired beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934) of more than 50% of the outstanding shares of the voting stock of the Borrower; (ii) as of any date a majority of the board of directors of the Borrower consists of individuals who were not either (A) directors of the Borrower as of the corresponding date of the previous year, (B) selected or nominated to become directors by the board of directors of the Borrower of which a majority consisted of individuals described in clause (A), or (C) selected or nominated to become directors by the board of directors of the Borrower of which a majority consisted of individuals described in clause (A) and individuals described in clause (B); or (iii) a representative from Main Street Capital Corporation and is not on the board of the directors of the Borrower.

“**Change in Law**” means the occurrence, after the Sixth Amendment Effective Date, of any of the following: (a) the adoption of any law, rule, regulation or treaty (including any rules or regulations issued under or implementing any existing law), (b) any change in any law, rule, regulation or treaty or in the interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) of any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States of America or foreign regulatory authorities, shall in each case be deemed to be a “**Change in Law**”, regardless of the date enacted, adopted, issued or implemented.

“**Closing Certificate**” has the meaning set forth in **Section 3.01(d)**.

“**Closing Date**” means March 11, 2014.

“**Code**” means the Internal Revenue Code of 1986, as amended, or any successor Federal tax code. Any reference to any provision of the Code shall also be deemed to be a reference to any successor provision or provisions thereof.

“**Collateral**” means collectively: (1) (i) 100% of the Capital Securities of the Guarantors and of the current and future Domestic Subsidiaries (and with respect to a Structured Subsidiary, subject to the Pledge Limitations) of the Borrower and Guarantors; (ii) 65% of the voting and non-voting Capital Securities of any current or future Foreign Subsidiaries (and with respect to a Structured Subsidiary, subject to the Pledge Limitations) and (iii) all of the other present and future property and assets of the Borrower and each Guarantor including, but not limited to, machinery and equipment, inventory and other goods, accounts, accounts receivable, bank accounts, brokerage accounts, general intangibles, financial assets, investment property, license rights, patents, trademarks, copyrights, chattel paper, insurance proceeds, contract rights, hedge agreements, documents, instruments, indemnification rights, tax refunds, and cash; and (2) any other property which secures the Obligations pursuant to the Collateral Documents; provided that, notwithstanding the foregoing, “**Collateral**” shall include a security interest and any related property rights in (a) any dividends or distributions on Permitted Capital Securities and (b) Permitted Capital Securities issued by Person other than a Subsidiary, or in any Operating Documents of any such issuer, in the case of clause (b), subject to the Pledge Limitations.

“**Collateral Custodian**” means any and each of (i) Amegy Bank, a division of ZB, National Association (formerly known as Amegy Bank National Association), in its capacity as Collateral Custodian under the Custodial Agreement or other agreement with respect to the Collateral to which it is a party, together with its successors and permitted assigns and (ii) any other Person acting as a collateral custodian with respect to any Collateral under any Custodial Agreement entered into in accordance with the terms of this Agreement. Notwithstanding the foregoing, the Collateral Custodian shall at all times be satisfactory to the Administrative Agent, in its reasonable discretion.

“**Collateral Documents**” means, collectively, the Security Agreement, the Pledge Agreement and all other agreements (including control agreements), instruments and other documents, whether now existing or hereafter in effect, pursuant to which the Borrower or any Subsidiary shall grant or convey (or shall have granted or conveyed) to the Secured Parties a Lien in, or any other Person shall acknowledge any such Lien in, property as security for all or any portion of the Obligations, as any of them may be amended, modified or supplemented from time to time.

“**Commodity Exchange Act**” means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“**Compliance Certificate**” has the meaning set forth in [Section 5.01\(c\)](#).

“**Conforming Changes**” means, with respect to either the use or administration of Adjusted 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 “ABR,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest 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 8.05](#) and other technical, administrative or operational matters) that the Administrative Agent decides 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 is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“**Connection Income Taxes**” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“**Consolidated EBITDA**” means and includes, for the Borrower and the Consolidated Subsidiaries that are Guarantors for any period, an amount equal to the sum of (a) Consolidated Net Investment Income for such period; plus, (b) to the extent such amounts were deducted in computing Consolidated Net Investment Income for such period: (i) Consolidated Interest Expense for such period; (ii) income tax expense for such period, determined on a consolidated basis in accordance with GAAP; and (iii) Depreciation and Amortization for such period, determined on a consolidated basis in accordance with GAAP.

“**Consolidated Interest Expense**” for any period means interest, whether expensed or capitalized, in respect of Debt of the Borrower or any of its Consolidated Subsidiaries that are Guarantors outstanding during such period on a consolidated basis in accordance with GAAP.

“**Consolidated Net Investment Income**” means, for any period, the net investment income of the Borrower and the Consolidated Subsidiaries that are Guarantors set forth or reflected on the consolidated income statement of the Borrower and its Consolidated Subsidiaries for such period prepared in accordance with GAAP.

“**Consolidated Subsidiary**” means at any date any Subsidiary or other entity the accounts of which, in accordance with GAAP, would be consolidated with those of the Borrower in its consolidated financial statements as of such date.

“**Consolidated Tangible Net Worth**” means, at any time, Net Assets less the sum of the value (to the extent reflected in determining Net Assets), as set forth or reflected on the most recent consolidated balance sheet of the Borrower and its Consolidated Subsidiaries, on a consolidated basis prepared in accordance with GAAP (but without giving effect to (i) any election under Accounting Standards Codification 825-10-25 or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect to value any indebtedness or other liabilities of the Borrower or any subsidiary at “fair value”, as defined therein and (ii) any treatment of indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such indebtedness in a reduced or bifurcated manner as described therein, and such indebtedness shall at all times be valued at the full stated principal amount thereof).

(A) All assets which would be treated as intangible assets for balance sheet presentation purposes under GAAP, including without limitation goodwill (whether representing the excess of cost over book value of assets acquired, or otherwise), trademarks, tradenames, copyrights, patents and technologies, and unamortized debt discount and expense;

(B) To the extent not included in (A) of this definition, any amount at which the Capital Securities of the Borrower appear as an asset on the balance sheet of the Borrower and its Consolidated Subsidiaries; and

(C) Loans or advances to owners of Borrower’s Capital Securities, or to directors, officers, managers or employees of Borrower and its Consolidated Subsidiaries.

In addition, notwithstanding the foregoing, solely for purposes of determining the minimum Consolidated Tangible Net Worth in Section **5.07**, “**Consolidated Tangible Net Worth**” shall be determined solely with respect to the assets and liabilities of the Loan Parties on a stand-alone basis. For the avoidance of doubt, “**Consolidated Tangible Net Worth**” shall not include any assets or liabilities of any Loan Fund Joint Venture.

“**Control Agreement**” means collectively, the Second Amended and Restated Control Agreement dated as of May 30, 2014 by and among the Administrative Agent, the Borrower and Amegy Bank, a division of ZB, National Association (formerly known as Amegy Bank National Association), and any other control agreement between any Loan Party and a financial institution, each as the same may from time to time be amended, restated, supplemented or otherwise modified.

“**Controlled Group**” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with any Loan Party, are treated as a single employer under Section 414 of the Code.

“**Core Portfolio Investment**” means a Portfolio Investment originated or acquired by the Borrower or any Subsidiary (or co-originated by the Borrower or any Subsidiary so long as such Portfolio Investment complies with all Borrower’s Investment Policies and is subject to the same due diligence by the Borrower as Portfolio Investments originated or acquired solely by the Borrower). For avoidance of doubt, Core Portfolio Investments shall not include Cash, Cash Equivalents, any Senior Bank Loan Investment or any Debt Security.

~~“**Corresponding Tenor**” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.~~

“**Covered Debt Amount**” means, on any date, the sum of (x) all of the Credit Exposures of all Lenders on such date plus (y) the aggregate principal amount (including any increase in the aggregate principal amount resulting from payable-in-kind interest) of all outstanding (i) Unsecured Shorter-Term Debt of the Loan Parties and (ii) from and after the date that is 9 months prior to its scheduled maturity, Unsecured Longer-Term Debt of the Loan Parties.

“**Credit Exposure**” means, as to any Lender at any time, the aggregate outstanding principal amount at such time of its Revolver Advances and such Lender’s participation in outstanding Swing Advances at such time.

“**Credit Party Expenses**” means, without limitation, (a) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, in connection with this Agreement and the other Loan Documents, including without limitation (i) the reasonable and documented out-of-pocket fees, charges and disbursements of (A) (and, with respect to legal expenses, limited to) one primary outside counsel and one local counsel in each relevant jurisdiction for the Administrative Agent, (B) outside consultants for the Administrative Agent, (C) appraisers, (D) commercial finance examinations, and (E) all such documented out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of the Obligations; and (ii) in connection with (A) the syndication of the credit facilities provided for herein, (B) the administration, management, execution and delivery of this Agreement and the other Loan Documents, and the preparation, negotiation, administration and management of any amendments, modifications or waivers of the provisions of this Agreement and the other Loan Documents (whether or not the transactions contemplated thereby shall be consummated), or (C) the enforcement or protection of its rights in connection with this Agreement or the Loan Documents or efforts to preserve, protect, collect, or enforce the Collateral; and (b) all reasonable and documented out-of-pocket expenses incurred by the Secured Parties who are not the Administrative Agent or any Affiliate of any of them, after the occurrence and during the continuance of an Event of Default.

“**Custodial Agreement**” means, collectively, the Control Agreement and the Custody Agreement, and any and each other control agreement entered into by and between a Person acting as Collateral Custodian and the Borrower, and if required by the Administrative Agent, and the Administrative Agent, in each case as the same may from time to time be amended, restated, supplemented or otherwise modified.

“**Custody Agreement**” means collectively, the Second Amended and Restated Custody Agreement by and between the Borrower and Amegy Bank, a division of ZB, National Association (formerly known as Amegy Bank National Association), and any other custody agreement between any Loan Party and a financial institution, each as the same may from time to time be amended, restated, supplemented or otherwise modified.

“**Daily Simple SOFR**” means, for any day, SOFR, with conventions for this rate (which may include a lookback) being established by the Administrative Agent in accordance with the

conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for business loans; provided that, if the Administrative Agent determines that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

“**Debt**” of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money; (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments representing extensions of credit; (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable and accrued expenses arising in the ordinary course of business; (iv) all obligations of such Person as lessee under capital leases; (v) all obligations of such Person to reimburse any bank or other Person in respect of amounts payable under a banker’s acceptance; (vi) all Redeemable Preferred Securities of such Person; (vii) all obligations (absolute or contingent) of such Person to reimburse any bank or other Person in respect of amounts which are available to be drawn or have been drawn under a letter of credit or similar instrument; (viii) all Debt of others secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person (with the value of any Debt with respect to which recourse is limited to the property subject to such Lien being the lower of the outstanding amount of such Debt and the fair market value of the property subject to such Lien); (ix) all Debt of others Guaranteed by such Person; (x) all obligations of such Person with respect to interest rate protection agreements, foreign currency exchange agreements or other hedging agreements (valued at the termination value thereof computed in accordance with a method approved by the International Swap Dealers Association and agreed to by such Person in the applicable hedging agreement, if any); (xi) all obligations of such Person under any synthetic lease, tax retention operating lease, sale and leaseback transaction, asset securitization, off-balance sheet loan or other off-balance sheet financing product; (xii) all obligations of such Person to purchase securities or other property arising out of or in connection with the sale of the same or substantially similar securities or property; and (xiii) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person, except trade accounts payable and accrued expenses arising in the ordinary course of business. The Debt of any Person shall include the Debt of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefore as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of such Debt provide that such Person is not liable therefor. Notwithstanding the foregoing, “Debt” shall not include (u) any revolving commitments or letters of credit for which any Loan Party is acting as a lender or issuing lender, as applicable, as part of or in connection with a Portfolio Investment, (v) any non-recourse liabilities for participations sold by any Person in any Debt Security, (w) escrows or purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset or Investment to satisfy unperformed obligations of the seller of such asset or Investment, (x) a commitment arising in the ordinary course of business to make a future Investment, (y) any accrued incentive, management or other fees to the Adviser or Affiliates (regardless of any deferral in payment thereof) or (z) indebtedness of a Loan Party on account of the sale by a Loan Party of the first-out tranche of any First Lien Investment that arises solely as an accounting matter under ASC 860, provided that such indebtedness (i) is non-recourse to the Borrower or its Subsidiaries and (ii) would not represent a claim against the Borrower or any of its Subsidiaries in a bankruptcy, insolvency or liquidation proceeding of the Borrower or its Subsidiaries, in each case in excess of the amount sold or purportedly sold.

“**Debt Security**” means a note, bond, debenture, trust receipt or other obligation, instrument or evidence of indebtedness, including over-the-counter debt securities, middle market investments, debt instruments of public and private issuers and tax-exempt securities, but specifically excluding (i) Equity Securities or (ii) any security which by its terms permits the payment obligation of the Obligor thereunder to be converted into or exchanged for equity capital of such Obligor. For the avoidance of doubt, this definition of “Debt Security” shall not include Core Portfolio Investments or Senior Bank Loan Investments.

“**Default**” means any condition or event which constitutes an Event of Default or which with the giving of notice or lapse of time or both would, unless cured or waived in writing, become an Event of Default.

“**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 Defaulted Advances) over the aggregate outstanding principal amount of all Revolver Advances of such Defaulting Lender.

“**Default Period**” means, with respect to any Defaulting Lender, (i) in the case of any Defaulted Advance, the period commencing on the date the applicable Defaulted Advance was required to be extended to the Borrower under this Agreement, in the case of a Revolver Advance (after giving effect to any applicable grace period) and ending on the earlier of the following: (x) the date on which (A) the Default Excess with respect to such Defaulting Lender has been reduced to zero (whether by the funding of any Defaulted Advance by such Defaulting Lender or by the non-pro-rata application of any prepayment pursuant to **Section 9.08(c)**) and (B) such Defaulting Lender shall have delivered to the Borrower and the Administrative Agent a written reaffirmation of its intention to honor its obligations hereunder; and (y) the date on which the Borrower, the Administrative Agent and the Required Lenders (and not including such Defaulting Lender in any such determination, in accordance with **Section 9.08(a)**) waive the application of **Section 9.08** with respect to such Defaulted Advances of such Defaulting Lender in writing; (ii) in the case of any Defaulted Payment, the period commencing on the date the applicable Defaulted Payment was required to have been paid to the Administrative Agent or other Lender under this Agreement (after giving effect to any applicable grace period) and ending on the earlier of the following: (x) the date on which (A) such Defaulted Payment has been paid to the Administrative Agent or other Lender, as applicable, together with (to the extent that such Person has not otherwise been compensated by the Borrower for such Defaulted Payment) interest thereon for each day from and including the date such amount is paid but excluding the date of payment, at the greater of the Federal Funds Rate plus two percent (2.0%) and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (whether by the funding of any Defaulted Payment by such Defaulting Lender or by the application of any amount pursuant to **Section 9.08(c)**) and (B) such Defaulting Lender shall have delivered to the Administrative Agent or other Lender, as applicable, a written reaffirmation of its intention to honor its obligations hereunder with respect to such payments; and (y) the date on which the Administrative Agent or any such other Lender, as applicable waives the application of **Section 9.08** with respect to such Defaulted Payments of such Defaulting Lender in writing; and (iii) in the case of any Distress Event determined by the Administrative Agent (in its good faith judgment) or the Required Lenders (in their respective good faith judgment) to exist, the period commencing on the date that the applicable Distress Event was so determined to exist and ending on the earlier of the following: (x) the date on which (A) such Distress Event is determined by the Administrative Agent (in its good faith judgment) or the Required Lenders (in their respective good faith judgment) to no longer exist and (B) such Defaulting Lender shall have delivered to the Borrower and the Administrative Agent a written reaffirmation of its intention to honor its obligations hereunder; and (y) such date as the Borrower and the Administrative Agent mutually agree, in their sole discretion, to waive the application of **Section 9.08** with respect to such Distress Event of such Defaulting Lender.

“**Default Rate**” means, with respect to the Advances, on any day, the sum of 2% plus the then highest interest rate (including the Applicable Margin) which may be applicable to any Advance (irrespective of whether any such type of Advance is actually outstanding hereunder).

“**Defaulted Advance**” has the meaning specified in the definition of “Defaulting Lender”.

“**Defaulted Investment**” means any Investment (a) that is 31 days or more past due with respect to any interest or principal payments or (b) that is or otherwise should be considered a non-accrual investment by the Borrower in connection with its Investment Policies and GAAP.

“**Defaulted Payment**” has the meaning specified in the definition of “Defaulting Lender”.

“**Defaulting Lender**” means any Lender (i) that has failed to fund any portion of any Revolver Advance required to be funded by it under this Agreement (each such Revolver Advance, a “**Defaulted Advance**”) within two Business Days of the date required to be funded by it hereunder,

(ii) that has otherwise failed to pay over to Administrative Agent or any other Lender any other amount required to be paid by it hereunder (each such payment, a “**Defaulted Payment**”) within two Business Days of the date when due, unless the subject of a good faith dispute, (iii) that has notified the Borrower or the Administrative Agent 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 Lender’s obligation to fund any Advance hereunder and states that such position is based on such Lender’s good faith 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 and has not otherwise been waived in accordance with the terms of this Agreement), (iv) that 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 (iv) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (v) as to which, or as to a direct or indirect parent company of which, a Distress Event has occurred, in each case for so long as the applicable Default Period is in effect.

“**Depreciation and Amortization**” means for any period an amount equal to the sum of all depreciation and amortization expenses of the Borrower and its Consolidated Subsidiaries that are Guarantors for such period, as determined on a consolidated basis in accordance with GAAP.

“**Distress Event**” means, with respect to any Person (each, a “**Distressed Person**”), (i) a voluntary or involuntary case (or comparable proceeding) has been commenced with respect to such Person or its direct or indirect parent under the United States Bankruptcy Code or any other applicable debtor relief law, (ii) a custodian, conservator, receiver or similar official has been appointed for such Person or its direct or indirect parent or for any substantial part of such Person’s or its direct or indirect parent’s assets, (iii) after the Closing Date, such Person or its direct or indirect parent has consummated or entered into a commitment to consummate a forced (in the good faith judgment of the Administrative Agent) liquidation, merger, sale of assets or other transaction resulting, in the good faith judgment of the Administrative Agent, in a change of ownership or operating control of such Person or its direct or indirect parent supported in whole or in part by guaranties, assumption of liabilities or other comparable credit support of (including without limitation the nationalization or assumption of ownership or operating control by) any Governmental Authority and the Administrative Agent (in its good faith judgment) or the Required Lenders believe (in their respective good faith judgment) that such event increases the risk that such Person could default in performing its obligations hereunder for so long as the Administrative Agent (in its good faith judgment) or the Required Lenders (in their respective good faith judgment) so believe, or (iv) such Person or its direct or indirect parent has made a general assignment for the benefit of creditors or has otherwise been adjudicated as, or determined by any Governmental Authority having regulatory authority over such Person or its direct or indirect parent or its or its direct or indirect parent’s assets to be, insolvent, bankrupt or deficient in meeting any capital adequacy or liquidity requirement of any Governmental Authority applicable to such Person.

“**Distressed Person**” has the meaning specified in the definition of “Distress Event”.

“**Dollars**” or “**\$**” means dollars in lawful currency of the United States of America.

“**Domestic Subsidiary**” means any Subsidiary which is organized under the laws of any state or territory of the United States of America, other than a Subsidiary that (i) is disregarded as an entity separate from its owner for U.S. federal income tax purposes and (ii) owns an interest in a Foreign Subsidiary.

~~“**Early Opt-in Election**” means, if the then-current Benchmark is the LIBO Rate, the occurrence of:~~

~~(1) (i) a determination by the Administrative Agent or (ii) a notification by the Required Lenders to the Administrative Agent (with a copy to the Borrower) that the Required Lenders have determined that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of an amendment or as originally~~

~~executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark (and such syndicated credit facilities are identified in such notice and are publicly available for review); and~~

~~(2) (i) the joint election by the Administrative Agent and the Borrower or (ii) the joint election by the Required Lenders and the Borrower to trigger a fallback from the LIBO Rate and the provision by the Administrative Agent of written notice of such election to the Lenders.~~

“EBITDA” means, with respect to each Obligor on any Core Portfolio Investment, Debt Security or Senior Bank Loan Investment (in each case, other than LTV Investments (other than those identified as LTV Investments pursuant to clause (xxxi) of the definition of “Eligible Core Portfolio Investment”, clause (xv) of the definition of “Eligible Debt Security” or clause (xxviii) of the definition of “Eligible Senior Bank Loan Investment”)), for the last four full fiscal quarters for which financial statements have been provided to the Borrower by or on behalf of any Obligor with respect to the related Core Portfolio Investment, Debt Security or Senior Bank Loan Investment, the meaning of “EBITDA”, “Adjusted EBITDA” or any comparable definition in the underlying Investment Documents for each such Core Portfolio Investment, Debt Security or Senior Bank Loan Investment, and in any case that “EBITDA”, “Adjusted EBITDA” or such comparable definition is not defined in such underlying Investment Documents, an amount, for the Obligor on such Core Portfolio Investment, Debt Security or Senior Bank Loan Investment and any parent that is obligated pursuant to the underlying Investment Documents for such Core Portfolio Investment, Debt Security or Senior Bank Loan Investment (determined on a consolidated basis without duplication in accordance with GAAP) equal to earnings from continuing operations for such period plus (a) interest expense, (b) income taxes, (c) depreciation and amortization for such four fiscal quarter period (to the extent deducted in determining earnings from continuing operations for such period), (d) amortization of intangibles (including, but not limited to, goodwill, financing fees and other capitalized costs), other non-cash charges and organization costs, (e) extraordinary losses in accordance with GAAP, (f) one-time, non-recurring non-cash charges consistent with the compliance statements and financial reporting packages provided by the Obligors, and (g) and any other item the Borrower in good faith deems to be appropriate; *provided* that with respect to any Obligor for which four full fiscal quarters of economic data are not available, EBITDA shall be determined for such Obligor based on annualizing the economic data from the reporting periods actually available.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country that is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country that is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country that is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 9.07(b) (subject to such consents, if any, as may be required under Section 9.07(b)); provided that notwithstanding the foregoing, “Eligible Assignee” shall not (x) include the Borrower or any of the Borrower’s Affiliates or Subsidiaries or (y) a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person).

“Eligible Core Portfolio Investment” means, on any date of determination, any Core Portfolio Investment held by Borrower or its Subsidiaries that satisfies each of the following requirements:

(i) the Core Portfolio Investment is evidenced by Investment Documents (including, in the case of any Loan other than a Noteless Loan, an original promissory note) that have been duly authorized and that are in full force and effect and constitute the legal, valid and binding obligation of the Obligor of such Core Portfolio Investment to pay the stated amount of the Loan and interest thereon, and the related Investment Documents are enforceable against such Obligor in accordance with their respective terms, provided that the enforceability thereof is subject in each case to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and to bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights generally;

(ii) the Core Portfolio Investment was made in accordance with the terms of the Investment Policies and arose in the ordinary course of the business of Borrower, or its Subsidiary, as applicable;

(iii) such Core Portfolio Investment is a First Lien Investment, secured by a first priority (subject to Liens for "ABL" revolvers and other encumbrances that are expressly permitted to be senior under a first lien debt obligation; provided, that such Liens and other encumbrances, in the aggregate as of any date of determination, secure Debt for borrowed money in an amount equal to or less than EBITDA of the Borrower for the most recently ended trailing twelve month period), perfected security interest on a substantial portion of the assets of the Obligor;

(iv) in the case of any Core Portfolio Investment that is not solely held by the Borrower and/or its Subsidiaries, the terms and conditions of such Core Portfolio Investment provide the Borrower (and/or its Subsidiary, as applicable) with the right to vote to approve or deny any amendments, supplements, waivers or other modifications of such terms and conditions (other than such routine amendments, supplements, waivers or other modifications as are permitted to be approved by the administrative agent only without the vote of the syndicate members);

(v) the Core Portfolio Investment has an Eligible Investment Rating;

(vi) the Core Portfolio Investment is not a Defaulted Investment and no other interest or principal payments with respect to any Loan of the Obligor with respect to such Core Portfolio Investment is more than 45 days past due;

(vii) the Obligor of such Core Portfolio Investment has executed all appropriate documentation required by the Borrower, or its Subsidiary, as applicable, in accordance with the Investment Policies;

(viii) the Core Portfolio Investment, together with the Investment 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;

(ix) all 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 Core Portfolio Investment have been duly obtained, effected or given and are in full force and effect, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a material adverse effect on the value, validity or collectability of such Core Portfolio Investment;

(x) the Core Portfolio Investment is denominated and payable only in Dollars in the United States;

(xi) the Core Portfolio Investment bears some current interest, which is due and payable no less frequently than quarterly;

(xii) the Core Portfolio Investment, together with the Investment 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 Obligor party thereto is in violation of any Applicable Laws or the terms and conditions of such Investment Documents, to the extent any such violation results in or would be reasonably likely to result in (a) an adverse effect upon the value or collectability of such Core Portfolio Investment, (b) a material adverse change in, or a material adverse effect upon, any of (1) the financial condition, operations, business or properties of the Obligor or any of its respective Subsidiaries, taken as a whole, (2) the rights and remedies of the Borrower or its Subsidiary (as applicable) under the Investment Documents, or the ability of the Obligor or any other loan party thereunder to perform its obligations under the Investment Documents to which it is a party, as applicable, taken as a whole, or (3) the collateral securing the Core Portfolio Investment, or the Liens of the Borrower or its Subsidiary (as applicable) thereon or the priority of such Liens;

(xiii) the Core Portfolio Investment, together with the related Investment Documents, is fully assignable (and if such Investment is secured by a mortgage, deed of trust or similar lien on real property, and if requested by the Administrative Agent, an Assignment of Mortgage executed in blank has been delivered to the Collateral Custodian); provided that, the Core Portfolio Investment may contain the following restrictions on customary and market based terms: (a) restrictions pursuant to which assignments may be subject to the consent of the obligor or issuer or agent under the Core Portfolio Investment so long as the applicable provision also provides that such consent may not be unreasonably withheld, (b) customary restrictions in respect of minimum assignment amounts, (c) restrictions on transfer to parties that are not "eligible assignees" within the customary and market based meaning of the term, and (d) restrictions on transfer to the applicable obligor or issuer under the Core Portfolio Investment or its equity holders or financial sponsor entities or competitors or, in each case, their affiliates; provided, further, that in the event that a Loan Party is a party to an intercreditor arrangement with other lenders thereof with payment rights or lien priorities that are junior or senior to the rights of such Loan Party, such Portfolio Investment may be subject to customary and market based rights of first refusal, rights of first offer and purchase rights in favor, in each case, of such other lenders thereof;

(xiv) the Core Portfolio Investment was documented and closed in accordance with the Investment Policies, and, subject to Section 5.32, each original promissory note, if any, representing the portion of such Core Portfolio Investment payable to the Borrower or its Subsidiary (as applicable), has been delivered to the Collateral Custodian or, in the case of a Pre-Positioned Investment, held by a bailee on behalf of the Administrative Agent, in accordance with the provisions of **Section 5.40**;

(xv) the Core Portfolio Investment is free of any Liens and the interest of the Borrower or its Subsidiary (as applicable) in all Related Property is free of any Liens other than Liens permitted under the applicable Investment Documents and all filings and other actions required to perfect the security interest of the Administrative Agent on behalf of the Secured Parties in the Core Portfolio Investment have been made or taken;

(xvi) no right of rescission, set off, counterclaim, defense or other material dispute has been asserted with respect to such Core Portfolio Investment;

(xvii) any Related Property with respect to such Core Portfolio Investment is insured in accordance with the Investment Policies;

(xviii) the primary business of the Obligor with respect to such Core Portfolio Investment is not in the gaming, oil or gas exploration or nuclear waste industries;

(xix) the Core Portfolio Investment is not a loan or extension of credit made by the Borrower or one of its Subsidiaries to an Obligor solely for the purpose of making any principal, interest or other payment on such Core Portfolio Investment necessary in order to keep such Core Portfolio Investment from becoming delinquent;

(xx) such Core Portfolio Investment will not cause the Borrower (or its Subsidiary, as applicable) to be deemed to own 5.0% or more of the voting securities of any publicly registered issuer or any securities that are immediately convertible into or immediately exercisable or exchangeable for 5.0% or more of the voting securities of any publicly registered issuer;

(xxi) the financing of such Core Portfolio Investment by the Lenders does not contravene in any material respect Regulation U of the Federal Reserve Board, nor require the Lenders to undertake reporting thereunder which it would not otherwise have cause to make;

(xxii) such Core Portfolio Investment does not represent payment obligations relating to “put” rights relating to Margin Stock;

(xxiii) any taxes due and payable in connection with the making of such Core Portfolio Investment have been paid and the Obligor has been given any assurances (including with respect to the payment of transfer taxes and compliance with securities laws) required by the Investment Documents in connection with the making of the Investment;

(xxiv) the terms of the Core Portfolio Investment have 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 Administrative Agent, not to be unreasonably withheld or delayed;

(xxv) such Core Portfolio Investment 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 Loan Documents, including, without limitation, its rights to review the Core Portfolio Investment, the related Investment File or the Borrower’s credit approval file in respect of such Core Portfolio Investment, unless the Administrative Agent and any Secured Party, as applicable, is permitted to avoid such restriction by agreeing to maintain the confidentiality of such information in accordance with the provisions of the Investment Documents and has agreed to the terms thereof;

(xxvi) the Obligor with respect to such Core Portfolio Investment is not (A) an Affiliate of the Borrower or any other Person whose investments are primarily managed by the Borrower or an Affiliate of the Borrower, unless (1) such Obligor is an Affiliate solely by reason of the Borrower’s Portfolio Investment therein or Borrower’s other Portfolio Investments or (2) such Core Portfolio Investment is expressly approved by the Administrative Agent (in its sole discretion) or (B) a Governmental Authority;

(xxvii) all information delivered by any Loan Party to the Administrative Agent with respect to such Core Portfolio Investment is true and correct in all material respects to the knowledge of such Loan Party;

(xxviii) such Core Portfolio Investment 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;

(xxix) the proceeds of such Core Portfolio Investment are not used to finance construction projects or activities in the form of a traditional construction loan where the only collateral for the loan is the project under construction and draws are made on the loan specifically to fund construction in progress;

(xxx) there is full recourse to the Obligor for principal and interest payments with respect to such Core Portfolio Investment; and

(xxxi) such Core Portfolio Investment has a Net Senior Leverage Ratio of less than 5.5x on the date of acquisition thereof or it shall be identified as an LTV Investment; provided, that, if any Core Portfolio Investment on its date of acquisition was identified as an LTV Investment under the Existing Credit Agreement because such Core Portfolio Investment's Net Senior Leverage Ratio was equal to or greater than 5.0x but was less than 5.5x, then such Core Portfolio Investment shall no longer be identified as an LTV Investment; provided, further, that, with respect to any Core Portfolio Investment which was previously identified as an LTV Investment, whether on its date of acquisition or otherwise, because such Core Portfolio Investment's Net Senior Leverage Ratio was equal to or greater than 5.5x (a) if subsequently such ratio decreases to a ratio less than 5.5x, then such Core Portfolio Investment shall no longer be identified as an LTV Investment, and (b) if subsequently such ratio increases to a ratio equal to or greater than 5.5x, then such Core Portfolio Investment shall thereafter be identified as an LTV Investment.

"Eligible Debt Security" means, on any date of determination, any Debt Security held by Borrower or its Subsidiaries as a Portfolio Investment that meets the following conditions:

- (i) the investment in the Debt Security was made in accordance with the terms of the Investment Policies applicable to "private placements", "marketable securities", "idle funds investments";
- (ii) the Debt Security has an Eligible Investment Rating;
- (iii) a Value Triggering Event related to the Debt Security has not occurred and is continuing;
- (iv) the Debt Security is not a Defaulted Investment and is not owed by an Obligor that is subject to an Insolvency Event or as to which the Borrower (or its Subsidiary, as applicable) has received notice of an imminent Insolvency Event proceeding;
- (v) the Obligor of such Debt Security has executed all appropriate documentation, if any, required in accordance with applicable Investment Policies;
- (vi) the Debt Security, together with the Investment Documents related thereto (if any), 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;
- (vii) all 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 purchase of such Debt Security have been duly obtained, effected or given and are in full force and effect, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a material adverse effect on the value, validity or collectability of such Debt Security;
- (viii) the Debt Security is denominated and payable only in Dollars in the United States or territory thereof and the Primary Obligor is organized under the laws of, and maintains its chief executive office and principal residence in, the United States or territory thereof;
- (ix) the Debt Security bears current all cash interest, which is due and payable no less frequently than semi-annually;
- (x) the Obligor with respect to the Debt Security is not (A) an Affiliate of the Borrower or any other Person whose investments are primarily managed by the Borrower or any Affiliate of the Borrower, unless such Debt Security is expressly approved by the Administrative Agent (in its sole discretion), (B) a Governmental Authority (except in the case of a Debt Security, with an Investment Grade Rating, issued by the United States of America or any state or municipality or other political subdivision of the United States of America) or (C) primarily in the business of gaming, oil or gas exploration or nuclear waste;

(xi) all information delivered by any Loan Party to the Administrative Agent with respect to such Debt Security is true and correct in all material respects to the knowledge of such Loan Party;

(xii) the proceeds of such Debt Security are not used to finance construction projects or activities in the form of a traditional construction loan where the only collateral for the loan is the project under construction and draws are made on the loan specifically to fund construction in progress;

(xiii) the Debt Security is a Quoted Investment;

(xiv) the Debt Security can be converted to Cash in 30 Business Days or fewer without a greater than ten percent (10%) reduction in the value of such Debt Security; and

(xv) such Debt Security has a Net Senior Leverage Ratio of less than 5.5x on the date of acquisition thereof or it shall be identified as an LTV Investment; provided, that, if any Debt Security on its date of acquisition was identified as an LTV Investment under the Existing Credit Agreement because such Debt Security's Net Senior Leverage Ratio was equal to or greater than 5.0x but was less than 5.5x, then such Debt Security shall no longer be identified as an LTV Investment; provided, further, that, with respect to any Debt Security which was previously identified as an LTV Investment, whether on its date of acquisition or otherwise, because such Debt Security's Net Senior Leverage Ratio was equal to or greater than 5.5x (a) if subsequently such ratio decreases to a ratio less than 5.5x, then such Debt Security shall no longer be identified as an LTV Investment, and (b) if subsequently such ratio increases to a ratio equal to or greater than 5.5x, then such Debt Security shall thereafter be identified as an LTV Investment.

"Eligible Investment Grade Debt Security" means an Eligible Debt Security that has, as of the applicable date of determination of Value for such Eligible Debt Security, an Investment Grade Rating.

"Eligible Investment Rating" means, as of any date of determination with respect to a Portfolio Investment, an investment rating of "Grade 3" or better as determined in accordance with the Investment Policies.

"Eligible Investments" means, collectively, Cash and Cash Equivalents, the Eligible Quoted Senior Bank Loan Investments, the Eligible Investment Grade Debt Securities, the Eligible Core Portfolio Investments, the Eligible Unquoted Senior Bank Loan Investments and the Eligible Non-Investment Grade Debt Securities.

"Eligible Non-Investment Grade Debt Security" means an Eligible Debt Security that does not have, as of the applicable date of determination of Value for such Eligible Debt Security, an Investment Grade Rating.

"Eligible Quoted Senior Bank Loan Investment" means an Eligible Senior Bank Loan Investment that is a Quoted Investment.

"Eligible Senior Bank Loan Investment" means, on any date of determination, any Senior Bank Loan Investment of Borrower or its Subsidiaries that meets the following conditions:

(i) the Senior Bank Loan Investment is evidenced by Investment Documents that are in full force and effect and constitute the legal, valid and binding obligation of the Obligor of such Senior Bank Loan Investment to pay the stated amount of the Loan and interest thereon without right of rescission, set off, counterclaim or defense, and the related Investment Documents are enforceable against such Obligor in accordance with their respective terms, provided that the enforceability thereof is subject in each case to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and to bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights generally, and, to the knowledge of the Borrower, are not the subject of any material dispute;

(ii) the Senior Bank Loan Investment was made in accordance with the terms of the Investment Policies applicable to “middle market portfolio investments”, “private loan portfolio investments”, “marketable securities”, “idle funds investments”;

(iii) such Senior Bank Loan Investment is secured by a first priority (subject to Liens for “ABL” revolvers and other encumbrances that are expressly permitted to be senior under a first lien debt obligation; provided, that such Liens and other encumbrances, in the aggregate as of any date of determination, secure Debt for borrowed money in an amount equal to or less than EBITDA of the Borrower for the most recently ended trailing twelve month period), perfected security interest on a substantial portion of the assets of the respective Obligor(s);

(iv) the terms and conditions of such Senior Bank Loan Investment provide the Borrower or its Subsidiary, as applicable, with the power to approve or deny any amendments, supplements, waivers or other modifications of such terms and conditions that would (i) increase the commitment or other obligations of the Borrower or its Subsidiary (as applicable) thereunder, (ii) reduce the amount of, or defer the date fixed for any payment of, principal, interest or fees due or owing to Borrower or its Subsidiary (as applicable), or change the manner of application of any payments owing to Borrower or its Subsidiary (as applicable), under the Investment Documents, (iii) change the percentage of lenders under such Senior Bank Loan Investment required to take any action under the applicable Investment Documents, (iv) release or substitute all or substantially all of the collateral held as security for, or release any guaranty given to support payment of the obligations of, the Obligor under the applicable Investment Documents;

(v) the Senior Bank Loan Investment has an Eligible Investment Rating;

(vi) the terms of the Senior Bank Loan Investment have 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, after giving effect to any applicable grace or cure period, extend the time for payment of principal or (B) reduce the rate or, after giving effect to any applicable grace or cure period, extend the time of payment of interest (or any component thereof), in each case without the consent of the Administrative Agent, not to be unreasonably withheld or delayed. Notwithstanding the foregoing in this clause (vi), any refinancing, restructuring, or new Debt obligation that does not forgive or reduce any amount of the principal owing with respect to such existing Senior Bank Loan Investment and results from a syndication process by the lenders or administrative agent party to such Senior Bank Loan Investment shall be deemed a new Senior Bank Loan Investment for purposes of this clause (vi) and not an amendment, deferral or waiver of such existing Senior Bank Loan Investment;

(vii) a Value Triggering Event related to the Senior Bank Loan Investment has not occurred and is continuing;

(viii) the Senior Bank Loan Investment is not a Defaulted Investment and is not owed by an Obligor that is subject to an Insolvency Event or as to which the Borrower has received notice of an imminent Insolvency Event proceeding;

(ix) the Obligor of such Senior Bank Loan Investment has executed all appropriate documentation required in accordance with applicable Investment Policies;

(x) the Senior Bank Loan Investment, together with the Investment 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;

(xi) all 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 Senior Bank Loan Investment have been duly obtained, effected or given and are in full force and effect, except where the failure to do so, individually or

in the aggregate, could not reasonably be expected to result in a material adverse effect on the value, validity or collectability of such Senior Bank Loan Investment;

(xii) the Senior Bank Loan Investment is denominated and payable only in Dollars in the United States or territory thereof and the Primary Obligor is organized under the laws of, and maintains its chief executive office and principal residence in, the United States or territory thereof;

(xiii) the Senior Bank Loan Investment bears current interest, which is due and payable no less frequently than semi-annually;

(xiv) the Senior Bank Loan Investment, together with the Investment Documents related thereto, does not contravene in any material respect any Applicable Laws and with respect to which no Obligor is in violation of any Applicable Laws or the terms and conditions of such Investment Documents, to the extent any such violation results in or would be reasonably likely to result in (a) an adverse effect upon the value or collectability of such Senior Bank Loan Investment or (b) a material adverse change in, or a material adverse effect upon, any of (1) the financial condition, operations, business or properties of the Obligor or any of its respective Subsidiaries, taken as a whole, (2) the rights and remedies of the Borrower or its Subsidiary (as applicable) under the Investment Documents, or the ability of the Obligor or any other loan party thereunder to perform its obligations under the Investment Documents to which it is a party, as applicable, taken as a whole, or (3) the collateral securing the Senior Bank Loan Investment, or the Liens thereon or the priority of such Liens;

(xv) the Senior Bank Loan Investment, together with the related Investment Documents, is fully assignable subject to the customary right of the obligor in a syndicated loan or credit facility to consent to an assignment (which consent shall not be unreasonably withheld) prior to an event of default under such Senior Bank Loan Investment and the customary right in a syndicated loan or credit facility of the administrative agent under such syndicated loan or credit facility to consent to the assignment (which consent shall not be unreasonably withheld); provided that, the Senior Bank Loan Investment may contain the following restrictions on customary and market based terms: (a) restrictions pursuant to which assignments may be subject to the consent of the obligor or issuer or agent under the Senior Bank Loan Investment so long as the applicable provision also provides that such consent may not be unreasonably withheld, (b) customary restrictions in respect of minimum assignment amounts, (c) restrictions on transfer to parties that are not "eligible assignees" within the customary and market based meaning of the term, and (d) restrictions on transfer to the applicable obligor or issuer under the Senior Bank Loan Investment or its equity holders or financial sponsor entities or competitors or, in each case, their affiliates; provided, further, that in the event that a Loan Party is a party to an intercreditor arrangement with other lenders thereof with payment rights or lien priorities that are junior or senior to the rights of such Loan Party, such Portfolio Investment may be subject to customary and market based rights of first refusal, rights of first offer and purchase rights in favor, in each case, of such other lenders thereof;

(xvi) the Senior Bank Loan Investment was documented and closed in accordance with applicable Investment Policies, and, subject to Section 5.32, each original promissory note, if any, representing the portion of such Senior Bank Loan Investment payable to the Borrower or its Subsidiary (as applicable) has been delivered to the Collateral Custodian;

(xvii) the Senior Bank Loan Investment is free of any Liens and the interest of the Borrower or its Subsidiary (as applicable) in all Related Property is free of any Liens other than Liens permitted under the applicable Investment Documents and all filings and other actions required to perfect the security interest of the Administrative Agent on behalf of the Secured Parties in the Senior Bank Loan Investment have been made or taken;

(xviii) any Related Property with respect to such Senior Bank Loan Investment is insured in accordance with the applicable Investment Documents;

(xix) such Senior Bank Loan Investment will not cause the Borrower or any of its Subsidiaries (as applicable) to be deemed to own 5.0% or more of the voting securities of any publicly registered issuer or any securities that are immediately convertible into or immediately exercisable or exchangeable for 5.0% or more of the voting securities of any publicly registered issuer;

(xx) the financing of such Senior Bank Loan Investment by the Lenders does not contravene in any material respect Regulation U of the Federal Reserve Board, nor require the Lenders to undertake reporting thereunder which it would not otherwise have cause to make and such Senior Bank Loan Investment does not represent payment obligations relating to “put” rights relating to Margin Stock;

(xxi) any taxes due and payable in connection with the making of such Senior Bank Loan Investment have been paid and the Obligor has been given any assurances (including with respect to the payment of transfer taxes and compliance with securities laws) required by the Investment Documents in connection with the making of the Investment;

(xxii) such Senior Bank Loan Investment does not contain a confidentiality provision that restricts the ability of the Administrative Agent (assuming the Administrative Agent agrees to be bound by the terms of the applicable confidentiality provision), on behalf of the Secured Parties, to exercise its rights under the Loan Documents, including, without limitation, its rights to review the Senior Bank Loan Investment, the related Investment File or the Borrower’s credit approval file in respect of such Senior Bank Loan Investment, unless the Administrative Agent and any Secured Party, as applicable, is permitted to avoid such restriction by agreeing to maintain the confidentiality of such information in accordance with the provisions of the Investment Documents and has agreed to the terms thereof;

(xxiii) the Obligor with respect to such Senior Bank Loan Investment is not (A) an Affiliate of the Borrower or any other Person whose investments are primarily managed by the Borrower or any Affiliate of the Borrower, unless such Senior Bank Loan Investment is expressly approved by the Administrative Agent (in its sole discretion), (B) a Governmental Authority or (C) primarily in the business of gaming, oil or gas exploration or nuclear waste;

(xxiv) all information delivered by any Loan Party to the Administrative Agent with respect to such Senior Bank Loan Investment is true and correct in all material respects to the knowledge of such Loan Party;

(xxv) such Senior Bank Loan Investment is not (A) any type of bond, whether high yield or otherwise, or any similar financial interest, (B) 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 or (C) a participation interest;

(xxvi) the proceeds of such Senior Bank Loan Investment are not used to finance construction projects or activities in the form of a traditional construction loan where the only collateral for the loan is the project under construction and draws are made on the loan specifically to fund construction in progress;

(xxvii) there is full recourse to the Obligor for principal and interest payments with respect to such Senior Bank Loan Investment; and

(xxviii) such Senior Bank Loan Investment has a Net Senior Leverage Ratio of less than 5.5x on the date of acquisition thereof or it shall be identified as an LTV Investment; provided, that, if any Senior Bank Loan Investment on its date of acquisition was identified as an LTV Investment under the Existing Credit Agreement because such Senior Bank Loan Investment’s Net Senior Leverage Ratio was equal to or greater than 5.0x but was less than 5.5x, then such Senior Bank Loan Investment shall no longer be identified as an LTV Investment; provided, further, that, with respect to any Senior Bank Loan Investment which was previously identified as

an LTV Investment, whether on its date of acquisition or otherwise, because such Senior Bank Loan Investment's Net Senior Leverage Ratio was equal to or greater than 5.5x (a) if subsequently such ratio decreases to a ratio less than 5.5x, then such Senior Bank Loan Investment shall no longer be identified as an LTV Investment, and (b) if subsequently such ratio increases to a ratio equal to or greater than 5.5x, then such Senior Bank Loan Investment shall thereafter be identified as an LTV Investment.

"Eligible Unquoted Senior Bank Loan Investment" means an Eligible Senior Bank Loan Investment that is an Unquoted Investment.

"Environmental Authority" means any foreign, federal, state, local or regional government that exercises any form of jurisdiction or authority under any Environmental Requirement.

"Environmental Authorizations" means all licenses, permits, orders, approvals, notices, registrations or other legal prerequisites for conducting the business of a Loan Party or any Subsidiary of a Loan Party required by any Environmental Requirement.

"Environmental Judgments and Orders" means all judgments, decrees or orders arising from or in any way associated with any Environmental Requirements, whether or not entered upon consent or written agreements with an Environmental Authority or other entity arising from or in any way associated with any Environmental Requirement, whether or not incorporated in a judgment, decree or order.

"Environmental Laws" means any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment, including, without limitation, ambient air, surface water, groundwater or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or the clean-up or other remediation thereof.

"Environmental Liabilities" means any liabilities, whether accrued, contingent or otherwise, arising from and in any way associated with any Environmental Requirements.

"Environmental Notices" means notice from any Environmental Authority or by any other person or entity, of possible or alleged noncompliance with or liability under any Environmental Requirement, including without limitation any complaints, citations, demands or requests from any Environmental Authority or from any other person or entity for correction of any violation of any Environmental Requirement or any investigations concerning any violation of any Environmental Requirement.

"Environmental Proceedings" means any judicial or administrative proceedings arising from or in any way associated with any Environmental Requirement.

"Environmental Releases" means releases as defined in CERCLA or under any applicable federal, state or local environmental law or regulation and shall include, in any event and without limitation, any release of petroleum or petroleum related products.

"Environmental Requirements" means any legal requirement relating to health, safety or the environment and applicable to a Loan Party, any Subsidiary of a Loan Party or the Properties, including but not limited to any such requirement under CERCLA or similar state legislation and all federal, state and local laws, ordinances, regulations, orders, writs, decrees and common law.

“**Equity Security**” means any equity security or other obligation or security that does not entitle the holder thereof to receive periodic payments of interest and one or more installments of principal.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended from time to time, or any successor law and all rules and regulations from time to time promulgated thereunder. Any reference to any provision of ERISA shall also be deemed to be a reference to any successor provision or provisions thereof.

“**Euro-Dollar Advance**” means, with respect to any Advance, such Advance during the Interest Period when such Advance bears or is to bear interest at a rate based upon ~~the LIBO Rate~~ Adjusted Term SOFR.

“**Euro-Dollar Borrowing**” has the meaning set forth in the definition of “**Borrowing**”.

~~“**Euro-Dollar Business Day**” means any Business Day on which dealings in Dollar deposits are carried out in the London interbank market.~~

“**Event of Default**” has the meaning set forth in **Section 6.01**.

“**EverBank**” means EverBank Commercial Finance, Inc., a Delaware corporation.

“**Excluded Swap Obligation**” means, with respect to any Guarantor, any Hedging Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Hedging Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guarantee of such Guarantor or the grant of such security interest becomes effective with respect to such Hedging Obligation. If a Hedging Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Hedging Obligation that is attributable to swaps for which such Guarantee or security interest is or becomes illegal.

“**Excluded Taxes**” means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed by the jurisdiction (or any political subdivision thereof) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Office is located, or (ii) that are Other Connection Taxes, (b) in the case of a Lender, any U.S. federal withholding Tax that is imposed on amounts payable to or for the account of such Lender with respect to such Lender’s interest in a loan or commitment under a Loan Document pursuant to a law in effect on the date on which such Lender (i) acquires an interest in the loan or commitment, or (ii) designates a new Lending Office, except in each case to the extent that such Lender (or its assignor, if any) was entitled, immediately before the designation of a new Lending Office (or assignment), to receive additional amounts from the Borrower pursuant to **Section 2.12(e)**, (c) is attributable to such Lender’s failure (other than as a result of a Change in Law) to comply with **Section 2.12(e)(vi)**, and (d) any U.S. federal withholding Taxes imposed under FATCA.

“**FATCA**” means Sections 1471 through 1474 of the Code, as such sections are in force as of the Closing Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities entered into in connection with the implementation of the foregoing.

“**FCPA**” means the Foreign Corrupt Practices Act of 1977, as amended.

“**Federal Funds Rate**” means, for any day, the rate per annum (rounded upward, if necessary, to the next higher 1/100th of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day, provided that (i) if the day for which such rate is to be determined is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if such rate is not so published for any day, the Federal Funds Rate for such day shall be the average rate charged to TIAA on such day on such transactions as determined by the Administrative Agent.

“**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.

“**Fifth Amendment Effective Date**” shall mean July 27, 2021.

“**Final Maturity Date**” means March 1, 2026 or, upon an exercise of the extension option in accordance with **Section 2.15** hereof, the date one year following the Termination Date.

“**First Lien Investment**” means a Portfolio Investment constituting a Debt obligation (other than a Senior Bank Loan Investment) that is secured by the pledge of collateral and which has the most senior pre-petition priority (subject to Liens for “ABL” revolving and other encumbrances that are expressly permitted to be senior under a first lien debt obligation; provided, that such Liens and other encumbrances, in the aggregate as of any date of determination, secure Debt for borrowed money in an amount equal to or less than EBITDA of the Borrower for the most recently ended trailing twelve month period) in any bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings.

“**Fiscal Quarter**” means any fiscal quarter of the Borrower.

“**Fiscal Year**” means any fiscal year of the Borrower.

“**Flood Laws**” shall mean all Applicable Laws relating to policies and procedures that address requirements placed on federally regulated lenders under the National Flood Insurance Reform Act of 1994 and other Applicable Laws related thereto.

“**Floor**” means 0.0% per annum.

“**Foreclosed Subsidiary**” shall mean any Person that becomes a direct or indirect Subsidiary of the Borrower (other than a Structured Subsidiary or an Immaterial Subsidiary) solely as a result of the Borrower or any other Subsidiary of the Borrower acquiring the Capital Securities of such Person, through a bankruptcy, foreclosure or similar proceedings, with the intent to sell or transfer all of the Capital Securities of such Person; provided, that, in the event that the Borrower or such Subsidiary (other than a Structured Subsidiary or an Immaterial Subsidiary) of the Borrower is unable to sell all of the Capital Securities of such Person within 180 days after the Borrower or such Subsidiary (other than a Structured Subsidiary or an Immaterial Subsidiary) of the Borrower acquires the Capital Securities of such Person, such Person shall no longer be considered a “**Foreclosed Subsidiary**” for purposes of this Agreement.

“**Foreign Lender**” means any Lender that is not a United States person (as such term is defined in Section 7701(a)(30) of the Code).

“**Foreign Subsidiary**” means any Subsidiary which is not a Domestic Subsidiary.

“**Fronting Exposure**” means, at any time there is a Defaulting 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.

“**Fund**” means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

“**GAAP**” means generally accepted accounting principles applied on a basis consistent with those which, in accordance with **Section 1.02**, are to be used in making the calculations for purposes of determining compliance with the terms of this Agreement.

“**Governmental Authority**” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies exercising such powers or functions, such as the European Union or the European Central Bank).

“**Guarantee**” by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to secure, purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to provide collateral security, to take-or-pay, or to maintain financial statement conditions or otherwise) or (ii) entered into for the purpose of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), provided that the term Guarantee shall not include (x) endorsements for collection or deposit in the ordinary course of business or (y) customary indemnification agreements entered into in the ordinary course of business, provided that such indemnification obligations are unsecured, such Person has determined that liability thereunder is remote and such indemnification obligations are not the functional equivalent of the guaranty of a payment obligation of the primary obligor. The term “**Guarantee**” used as a verb has a corresponding meaning.

“**Guaranteed Obligations**” means the Obligations, including without limitation, any and all liabilities, indebtedness and obligations of any and every kind and nature, heretofore, now or hereafter owing, arising, due or payable from the Borrower to one or more of the Lenders, the Hedge Counterparties, any Secured Party, the Administrative Agent, or any of them, arising under or evidenced by this Agreement, the Notes, the Collateral Documents or any other Loan Document; provided, however, that “Guaranteed Obligations” shall not, as to any Guarantor, include any Excluded Swap Obligations of such Guarantor.

“**Guarantors**” means, collectively, MSC Equity Holding, LLC, MSC Equity Holding II, Inc., MSC California Holdings LP, HMS Funding I LLC and all direct and indirect Subsidiaries of the Borrower or Guarantors acquired, formed or otherwise in existence after the Sixth Amendment Effective Date and required to become a Guarantor pursuant to **Section 5.28**. It is understood and agreed that, subject to **Section 5.28**, no Structured Subsidiary or Immaterial Subsidiary shall be required to be a Guarantor as long as it remains a Structured Subsidiary or Immaterial Subsidiary, as applicable, as defined and described herein.

“**Hazardous Materials**” includes, without limitation, (a) solid or hazardous waste, as defined in the Resource Conservation and Recovery Act of 1980, 42 U.S.C. §6901 et seq. and its implementing regulations and amendments, or in any applicable state or local law or regulation, (b) any “hazardous substance”, “pollutant” or “contaminant”, as defined in CERCLA, or in any applicable state or local law or regulation, (c) gasoline, or any other petroleum product or by-product, including crude oil or any fraction thereof, (d) toxic substances, as defined in the Toxic Substances Control Act of 1976, or in

any applicable state or local law or regulation and (e) insecticides, fungicides, or rodenticides, as defined in the Federal Insecticide, Fungicide, and Rodenticide Act of 1975, or in any applicable state or local law or regulation, as each such Act, statute or regulation may be amended from time to time.

“**Hedge Counterparty**” means any Lender that provides the initial funding of any Revolver Commitment on the Sixth Amendment Effective Date or any Additional Lender that provides the funding of a Revolver Commitment on any Commitment Increase Date (but not any assignee of any of the foregoing Lenders) which Lender or Additional Lender has provided the Administrative Agent with a fully executed designation notice substantially in the form of **Schedule A** – Designation Notice, or any of their respective Affiliates, in each case solely until such Person has assigned all of its interests under this Agreement, that enters into a Hedging Agreement with any Loan Party that is permitted by **Section 5.35**.

“**Hedge Transaction**” of any Person shall mean any transaction (including an agreement with respect thereto) now existing or hereafter entered into by such Person that is a rate swap, basis swap, forward rate transaction, commodity swap, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collateral transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

“**Hedging Agreement**” means each agreement or amended and restated agreement between any Loan Party and a Hedge Counterparty that governs one or more Hedge Transactions entered into pursuant to **Section 5.35**, 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 in the form the Administrative Agent shall approve in writing, and each “**Confirmation**” thereunder confirming the specific terms of each such Hedge Transaction.

“**Hedging Obligations**” of any Person shall mean any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired under (i) any and all Hedge Transactions, (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any Hedge Transactions and (iii) any and all renewals, extensions and modifications of any Hedge Transactions and any and all substitutions for any Hedge Transactions.

“**Immaterial Subsidiaries**” means those Subsidiaries of the Borrower that are “designated” as Immaterial Subsidiaries by the Borrower from time to time (it being understood that the Borrower may at any time change any such designation); provided that such designated Immaterial Subsidiaries shall collectively meet all of the following criteria as of the date of the most recent balance sheet required to be delivered pursuant to **Section 5.01**: (a) (i) the assets of such Subsidiary as of such date does not exceed an amount equal to 0.5% of the consolidated assets of the Borrowers and its Subsidiaries as of such date and (ii) the aggregate assets of such Subsidiaries and their Subsidiaries (on a consolidated basis) as of such date do not exceed an amount equal to 5% of the consolidated assets of the Borrower and its Subsidiaries as of such date; and (b) (i) the revenues of such Subsidiary for the fiscal quarter ending on such date does not exceed an amount equal to 0.5% of the consolidated revenues of the Borrower and its Subsidiaries for such period and (ii) the aggregate revenues of such Subsidiaries and their Subsidiaries (on a consolidated basis) for the fiscal quarter ending on such date do not exceed an amount equal to 5% of the consolidated revenues of the Borrower and its Subsidiaries for such period.

“**Indemnified Taxes**” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

“**Industry Classification Group**” means any of the industry group classification groups that are currently in effect by Moody’s or may be subsequently established by Moody’s and provided by the Borrower to the Lenders.

“**Information**” has the meaning, for purposes of **Section 9.09**, specified in such **Section 9.09**.

“**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 undischarged, unvacated, undismitted and 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.

“**Interest Coverage Ratio**” means the ratio of Consolidated EBITDA to Consolidated Interest Expense.

“**Interest Payment Date**” means the fifth (5th) day of each month for both ABR Borrowings and Euro-Dollar Borrowings, or, if any such day is not a Business Day, the next succeeding Business Day.

“**Interest Period**” means, with respect to (i) the Interest Payment Date on April 5, 2020, the period from and including February 28, 2020 through and including March 31, 2020, and (ii) any Interest Payment Date thereafter, the period from and including the first calendar day of the month through and including the last calendar day of the month.

“**Internal Control Event**” means a material weakness in, or fraud that involves management of the Borrower or Adviser, which fraud has a material effect on the Borrower’s internal controls over public reporting.

“**Investment**” means any investment in any Person, whether by means of (i) purchase or acquisition of all or substantially all of the assets of such Person (or of a division or line of business of such Person), (ii) purchase or acquisition of obligations or securities of such Person, (iii) capital contribution to such Person, (iv) loan or advance to such Person, (v) making of a time deposit with such Person, (vi) Guarantee or assumption of any obligation of such Person or (vii) by any other means.

“**Investment Company Act**” means the Investment Company Act of 1940, as amended.

“**Investment Documents**” means, with respect to any Core Portfolio Investment or any Senior Bank Loan Investment, any related loan agreement, security agreement, mortgage, assignment, all guarantees, note purchase agreement, intercreditor and/or subordination agreements, 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 Core Portfolio Investment or Senior Bank Loan Investment and any related promissory note, including, without limitation, general or limited guaranties and, if requested by the Administrative Agent, for each Core Portfolio Investment secured by real property by a mortgage document, an Assignment of Mortgage, and for all Core Portfolio Investments or Senior Bank Loan Investments with a promissory note, an assignment thereof (which may be by allonge), in blank, signed by an officer of the Borrower.

“**Investment File**” means, as to any Core Portfolio Investments, those documents that are delivered to or held by the Collateral Custodian pursuant to the Custodial Agreement.

“**Investment Grade Rating**” means, as of any date of determination with respect to an Investment, such Investment has a rating of at least Baa3 from Moody’s Investors Service, BBB- from Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. or BBB- from Fitch Ratings Ltd.

“**Investment Policies**” means those investment objectives, policies and restrictions of the Borrower as in effect on the Sixth Amendment Effective Date as delivered to the Administrative Agent and as later described in Borrower’s annual reports on Form 10K and other filings as filed with the Securities and Exchange Commission, and any modifications or supplements as may be adopted by the Borrower from time to time in accordance with this Agreement.

“**ISDA Definitions**” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“**Joinder Agreement**” means a Joinder and Reaffirmation Agreement substantially in the form of **Exhibit I**.

“**Largest Industry Classification Group**” means, as of any date of determination, after giving effect to Advance Rates, the single Industry Classification Group to which a greater portion of the Borrowing Base has been assigned than any other single Industry Classification Group.

“**Lender**” means (a) the Swingline Lender and its successors and assigns and (b) each lender listed on the signature pages hereof as having a Revolver Commitment and such other Persons who may from time to time acquire a Revolver Commitment in accordance with the terms of this Agreement (as amended and from time to time in effect), and their respective successors and assigns.

“**Lending Office**” means, as to each Lender, its office located at its address set forth on the signature pages hereof (or identified on the signature pages hereof as its Lending Office) or such other office as such Lender may hereafter designate as its Lending Office by notice to the Borrower and the Administrative Agent.

~~“**LIBO Rate**” has the meaning set forth in **Section 2.06(c)**.~~

“**Lien**” means, with respect to any asset, any mortgage, deed to secure debt, deed of trust, lien, pledge, charge, security interest, security title, preferential arrangement which has the practical effect of constituting a security interest or encumbrance, servitude or encumbrance of any kind in respect of such asset to secure or assure payment of a Debt or a Guarantee, whether by consensual agreement or by operation of statute or other law, or by any agreement, contingent or otherwise, to provide any of the foregoing. For the purposes of this Agreement, the Borrower or any Subsidiary shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset (and, for the avoidance of doubt, in the case of Investments that are loans or other debt obligations, customary restrictions on assignments or transfers thereof pursuant to the underlying documentation of such Investment shall not be deemed to be a “Lien” and in the case of Investments that are securities, excluding customary drag-along, tag-along, right of first refusal, restrictions on assignments or transfers and other similar rights in favor of one or more equity holders of the same issuer).

“**Liquidity**” means at any time the aggregate Cash, Cash Equivalents and Eligible Debt Securities of the Borrower and the Guarantors.

“**Loan**” means any loan arising from the extension of credit to an Obligor by the Borrower in the ordinary course of business of the Borrower.

“**Loan Documents**” means this Agreement, the Notes, the Collateral Documents, the Hedging Agreements, any other document evidencing or securing the Advances, the Custodial Agreement, and any other document or instrument delivered from time to time in connection with this Agreement, the Notes, the Collateral Documents, the Hedging Agreements, the Advances, as such documents and instruments may be amended or supplemented from time to time.

“**Loan Fund Joint Venture**” means any entity to which the Administrative Agent granted its prior written consent in its sole discretion, so long as it is a Person in which a Loan Party directly or indirectly owns Permitted Capital Securities but for which no Loan Party, acting alone or in concert with the other Loan Parties, has the power to elect a majority of the board of directors or other managers and that satisfies the following requirements:

- (a) the financial statements of such Person are not consolidated with the financial statements of any Loan Party;
- (b) no Loan Party’s interest in such Person such Person is an Eligible Investment;
- (c) such Person is formed and operated primarily for the purpose of originating and acquiring loan assets; and
- (d) except for the obligation to make any capital call commitment of a Loan Party to such Person that is not prohibited by **Section 5.13** hereof,
 - (i) no portion of the Debt or any other obligations (contingent or otherwise) of such Person (A) is Guaranteed by any Loan Party, (B) is recourse to or obligates any Loan Party in any way or (C) subjects any property of any Loan Party, directly or indirectly, contingently or otherwise, to the satisfaction thereof;
 - (ii) no Loan Party has any material contract, agreement, arrangement or understanding with such Person other than on terms no less favorable to such Loan Party than those that might be obtained at the time from Persons that are not Affiliates of any Loan Party; and
 - (iii) no Loan Party has any obligation to maintain or preserve such entity’s financial condition or cause such entity to achieve certain levels of operating results.

“**Loan Parties**” means collectively the Borrower and each Guarantor that is now or hereafter a party to any of the Loan Documents.

“**LTV Investment**” means any Investment that (a) (i) does not include a financial covenant based on debt to EBITDA, debt to EBIT or a similar multiple of debt to operating cash flow, (ii) is designated as an LTV Investment by the Borrower at the time of its acquisition thereof and (iii) relies on a borrowing base computation as part of the underlying credit approval or (b) that is identified as an LTV Investment pursuant to clause (xxxi) of the definition of “Eligible Core Portfolio Investment”, clause (xv) of the definition of “Eligible Debt Security” or clause (xxviii) of the definition of “Eligible Senior Bank Loan Investment”.

“**Margin Stock**” means “margin stock” as defined in Regulations T, U or X of the Federal Reserve Board, as in effect from time to time, together with all official rulings and interpretations issued thereunder.

“**Material Adverse Effect**” means, with respect to any event, act, condition or occurrence of whatever nature (including any adverse determination in any litigation, arbitration, or governmental investigation or proceeding), whether singly or in conjunction with any other event or events, act or acts, condition or conditions, occurrence or occurrences, whether or not related, a material adverse change in, or a material adverse effect upon, any of (a) the financial condition, operations, business or properties of the Loan Parties and any of their respective Subsidiaries (other than the

Immaterial Subsidiaries), taken as a whole (excluding in any case a decline in the net asset value of the Borrower or a change in general market conditions or values of the Investments), (b) the rights and remedies of the Administrative Agent or the Lenders under the Loan Documents, or the ability of the Borrower and the other Loan Parties, taken as a whole, to perform their obligations under the Loan Documents, or (c) the legality, validity or enforceability of any Loan Document or (d) the Collateral, or the Administrative Agent's Liens for the benefit of the Secured Parties on the Collateral or the priority of such Liens.

“**Material Contract**” has the meaning given such term in **Section 4.33**.

“**Maximum Lawful Rate**” means the maximum lawful rate of interest which may be contracted for, charged, taken, received or reserved by the Lenders in accordance with the applicable laws of the State of New York (or applicable United States federal law to the extent that such law permits the Lenders to contract for, charge, take, receive or reserve a greater amount of interest than under New York law).

“**Maximum Portfolio Advance Rate**” means seventy-two and one-half percent (72.5%).

“**Minimum Liquidity Requirement**” has the meaning given such term in **Section 5.04**.

“**Mortgage**” means, collectively any fee simple and leasehold mortgages, deeds of trust and deeds to secure debt by the Borrower, whether now existing or hereafter in effect, in form and content reasonably satisfactory to the Administrative Agent and in each case granting a Lien to the Administrative Agent (or a trustee for the benefit of the Administrative Agent) for the benefit of the Secured Parties in Collateral constituting real property (including certain real property leases) and related personalty, as such documents may be amended, modified or supplemented from time to time.

“**Mortgaged Property**” means, collectively, any Mortgaged Property (as defined in any Mortgage) covering the Properties.

“**Mortgaged Property Security Documents**” means collectively, any Mortgage and all other agreements, instruments and other documents, whether now existing or hereafter in effect, pursuant to which the Borrower or any Subsidiary grants or conveys to the Administrative Agent and the Secured Parties a Lien in, or any other Person acknowledges any such Lien in, real property as security for all or any portion of the Obligations, as any of them may be amended, modified or supplemented from time to time.

“**Multiemployer Plan**” has the meaning set forth in Section 4001(a)(3) of ERISA.

“**Net Assets**” means, at any time, the net assets of the Borrower and its Consolidated Subsidiaries that are Guarantors, as set forth or reflected on the most recent consolidated balance sheet of the Borrower and its Consolidated Subsidiaries prepared in accordance with GAAP.

“**Net Cash Proceeds**” means, with respect to any sale or disposition by Borrower, or any receipt of insurance or condemnation proceeds received or paid to the account of Borrower (in each case, which requires a payment of the Advances under **Section 2.11(d)**), an amount equal to (x) the sum of Cash and Cash Equivalents received in connection with such transaction minus (y) the sum of (i) the principal amount of any Debt that is secured by the applicable asset and that is required to be (and is) repaid in connection with such transaction (other than Debt under the Loan Documents), (ii) the reasonable out-of-pocket fees, costs and expenses incurred by the Borrower or its Subsidiaries in connection with such transaction, (iii) the Taxes paid or reasonably estimated to be actually payable within two years of the date of the relevant transaction in connection with such transaction; provided that, if the amount of any estimated Taxes pursuant to clause (iii) exceeds the amount of Taxes actually required to be paid in cash in respect of such Disposition, the aggregate amount of such excess shall constitute Net Cash Proceeds (as of the date Borrower determines such excess exists), (iv) any reasonable costs, fees, commissions, premiums and expenses incurred by the Borrower or any of its Subsidiaries in connection with such sale or disposition, as applicable, and (v) reserves for indemnification, purchase

price adjustments or analogous arrangements reasonably estimated by Borrower or any relevant Subsidiary in connection with such sale or disposition, as applicable; provided that, if the amount of any estimated reserves pursuant to this clause (v) exceeds the amount actually required to be paid in cash in respect of indemnification, purchase price adjustments or analogous arrangements for such sale or disposition, as applicable, the aggregate amount of such excess shall constitute Net Cash Proceeds (as of the date Borrower determines such excess exists).

“Net Senior Leverage Ratio” means with respect to a Core Portfolio Investment, Debt Security or a Senior Bank Loan Investment (in each case, other than LTV Investments (other than those identified as LTV Investments pursuant to clause (xxxi) of the definition of “Eligible Core Portfolio Investment”, clause (xv) of the definition of “Eligible Debt Security” or clause (xxviii) of the definition of “Eligible Senior Bank Loan Investment”)) either (a) the “Net Senior Leverage Ratio” or comparable definition set forth in the underlying Investment Documents for such Core Portfolio Investment, Debt Security or Senior Bank Loan Investment, or (b) in the case of any Core Portfolio Investment, Debt Security or Senior Bank Loan Investment with respect to which the related Investment Documents do not include a definition of “Net Senior Leverage Ratio” or comparable definition, the ratio of (i) the Senior Debt (including, without limitation, such Core Portfolio Investment, Debt Security or Senior Bank Loan Investment) of the applicable Obligor as of the date of determination minus the amount of unrestricted cash and cash equivalents of such Obligor as of such date to (ii) EBITDA of such Obligor with respect to the applicable Relevant Test Period, as calculated by the Borrower in good faith.

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all affected Lenders in accordance with the terms of **Section 9.05** and (ii) has been approved by the Required Lenders.

“Noteless Loan” means a Core Portfolio Investment or a Senior Bank Loan Investment with respect to which (i) the underlying Investment Documents do not require the Obligor to execute and deliver a promissory note to evidence the indebtedness created under such Core Portfolio Investment or Senior Bank Loan Investment; and (ii) no Loan Party nor any Subsidiary of a Loan Party has requested or received a promissory note from the related Obligor. Except as approved by the Administrative Agent in writing, no Loan Party nor any Subsidiary of a Loan Party shall request or receive a promissory note or other instrument from any Obligor in connection with a Noteless Loan.

“Notes” means collectively the Revolver Notes, the Swing Advance Note and any and all amendments, consolidations, modifications, renewals, substitutions and supplements thereto or replacements thereof. “Note” means any one of such Notes.

“Notice of Borrowing” has the meaning set forth in **Section 2.02**.

“Notice of Continuation or Conversion” has the meaning set forth in **Section 2.03**.

“Obligations” means the collective reference to all of the following indebtedness obligations and liabilities: (a) the due and punctual payment by the Borrower of: (i) the principal of and interest on the Advances (including without limitation, any and all Revolver Advances), when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and any renewals, modifications or extensions thereof, in whole or in part; (ii) each payment required to be made by the Borrower under this Agreement when and as due, including payments in respect of reimbursement of disbursements, interest thereon, and obligations, if any, to provide cash collateral and any renewals, modifications or extensions thereof, in whole or in part; and (iii) all other monetary obligations of the Borrower to the Secured Parties under this Agreement and the other Loan Documents to which the Borrower is or is to be a party and any renewals, modifications or extensions thereof, in whole or in part; (b) the due and punctual performance of all other obligations of the Borrower under this Agreement and the other Loan Documents to which the Borrower is or is to be a party, and any renewals, modifications or extensions thereof, in whole or in part; (c) the due and punctual payment (whether at the stated maturity, by acceleration or otherwise) of all obligations (including any and all Hedging Obligations arising under the Hedging Agreements and obligations which, but for the automatic stay under Section 362(a) of the Bankruptcy Code, would become due), indebtedness and liabilities of the Borrower, now

existing or hereafter incurred under, arising out of or in connection with any and all Hedging Agreements and any renewals, modifications or extensions thereof (including, all obligations, if any, of the Borrower as guarantor under the Credit Agreement in respect of Hedging Agreements), and the due and punctual performance and compliance by the Borrower with all of the terms, conditions and agreements contained in any Hedging Agreement and any renewals, modifications or extensions thereof; (d) the due and punctual payment and performance of all indebtedness, liabilities and obligations of any one or more of the Borrower and Guarantors arising out of or relating to any Bank Products; (e) the due and punctual payment and performance of all indebtedness, liabilities and obligations of any one or more of the Borrower and Guarantors arising out of or relating to any Cash Management Services; and (f) the due and punctual payment and performance of all obligations of each of the Guarantors under the Credit Agreement and the other Loan Documents to which they are or are to be a party and any and all renewals, modifications or extensions thereof, in whole or in part; provided, that the term "Obligations" with respect to any Guarantor shall exclude, in all cases, any Excluded Swap Obligations of such Guarantor.

"Obligor" means, with respect to any Portfolio Investment, the Person or Persons obligated to make payments pursuant to such Portfolio Investment, including any guarantor thereof.

"OFAC" means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Officer's Certificate" has the meaning set forth in **Section 3.01(e)**.

"Operating Documents" means with respect to any corporation, limited liability company, partnership, limited partnership, limited liability partnership or other legally authorized incorporated or unincorporated entity, the bylaws, operating agreement, partnership agreement, limited partnership agreement, shareholder agreement or other applicable documents relating to the operation, governance or management of such entity.

"Organizational Action" means with respect to any corporation, limited liability company, partnership, limited partnership, limited liability partnership or other legally authorized incorporated or unincorporated entity, any corporate, organizational or partnership action (including any required shareholder, member or partner action), or other similar official action, as applicable, taken by such entity.

"Organizational Documents" means with respect to any corporation, limited liability company, partnership, limited partnership, limited liability partnership or other legally authorized incorporated or unincorporated entity, the articles of incorporation, certificate of incorporation, articles of organization, certificate of limited partnership or other applicable organizational or charter documents relating to the creation of such entity.

"Other Connection Taxes" means, with respect to the Administrative Agent, any Lender, or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing such Tax (other than connections arising from such recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to a Loan Document, or sold or assigned an interest in any Loan Document).

"Other Taxes" means all present or future stamp or documentary Taxes or any other excise or property Taxes, charges or similar levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made following a request by the Borrower pursuant to this Agreement).

"Participant" has the meaning assigned to such term in clause (d) of **Section 9.07**.

“**PBGC**” means the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

“**Permitted Capital Securities**” shall mean, with respect to any Loan Fund Joint Venture, Capital Securities owned by a Loan Party in an amount not to exceed an amount determined by the Administrative Agent in its sole discretion.

“**Permitted Encumbrances**” means Liens described in **Section 5.14**.

“**Permitted Policy Amendment**” means any change, alteration, expansion, amendment, modification, termination, restatement or replacement of the Investment Policies that is one of the following: (a) approved in writing by the Administrative Agent (with the consent of the Required Lenders), (b) required by applicable law, rule, regulation or Governmental Authority, or (c) in whole or in part that has not or would not reasonably be expected to adversely affect the interests or remedies of the Administrative Agent or the Secured Parties under this Agreement or any Loan Document (for the avoidance of doubt, no change, alteration, expansion, amendment, modification, termination or restatement of the Investment Policies shall be deemed “adverse” if investment size proportionately increases as the size of the Borrower’s capital base changes).

“**Person**” means a natural person, a corporation, a limited liability company, a partnership (including without limitation, a joint venture), an unincorporated association, a trust or any other entity or organization, including, but not limited to, a Governmental Authority.

“**Plan**” means at any time an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and is either (i) maintained by a member of the Controlled Group for employees of any member of the Controlled Group or (ii) maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group is then making or accruing an obligation to make contributions or has within the preceding 5 plan years made contributions.

“**Platform**” means any electronic system, including Intralinks®, ClearPar® and any other internet or extranet-based site, whether such electronic system is owned, operated or hosted by the Administrative Agent or any of its respective Related Parties or any other Person, providing for access to data protected by passcodes or other security system.

“**Pledge Agreement**” means the Amended and Restated Equity Pledge Agreement, dated as of the Closing Date, substantially in the form of **Exhibit K**, pursuant to which Borrower and, if applicable, Guarantors pledge to the Administrative Agent for the benefit of the Secured Parties, among other things, (i) all of the capital stock and equity interests of the Guarantors, MSIF Funding LLC and of each other current or future Subsidiary of the Borrower and Guarantors (and with respect to a Structured Subsidiary, subject to the Pledge Limitations) except Foreign Subsidiaries; and (ii) sixty-five percent (65%) of the capital stock and equity interests of each current or future Foreign Subsidiary (and with respect to a Structured Subsidiary, subject to the Pledge Limitations).

“**Pledge Limitations**” means that a pledge of relevant Capital Securities shall (i) not include any related property rights in Capital Securities issued by a Person other than a Subsidiary, or in any Operating Documents of any such issuer, to the extent the security interest of the Administrative Agent does not attach thereto pursuant to the terms of the Collateral Documents and, (ii) other than with respect to a Subsidiary or joint venture of any Loan Party, only be granted at such time as both any Organizational Document restriction on such security interest and the security interest of any secured third party shall have been released, whether by agreement or by operation of law.

“**Portfolio Investment**” means an investment made by the Borrower in the ordinary course of business and consistent with the Investment Policies in a Person that is accounted for under GAAP as a portfolio investment of the Borrower. Portfolio Investments shall include Cash, Cash Equivalents, Core Portfolio Investments, Senior Bank Loan Investments and Debt Securities. Without

limiting the generality of the foregoing, it is understood and agreed that any Portfolio Investments that have been contributed or sold, purported to be contributed or sold, or otherwise transferred to any Structured Subsidiary or Immaterial Subsidiary, or held by any Structured Subsidiary or Immaterial Subsidiary, or which secure obligations of any Structured Subsidiary or Immaterial Subsidiary, shall not be treated as Portfolio Investments.

“**Pre-Positioned Investment**” means any Investment that will be funded with the proceeds of an Advance hereunder and which is designated by the Borrower in writing to the Administrative Agent as a “**Pre-Positioned Investment**”.

“**Primary Obligor**” means, with respect to any Portfolio Investment, the principal Obligor directly obligated to repay all obligations owing under such Portfolio Investment, including joint and several liability for such obligation, if more than one Obligor exists; provided, however, “Primary Obligor” does not include any Person who acts solely as a guarantor or surety with respect to such Portfolio Investment.

“**Prime Rate**” means the rate of interest, as published in the “Money Rates” section of The Wall Street Journal, or if not so published, the “Prime Rate” as published in a newspaper of general circulation selected by the Administrative Agent in its sole discretion; if a prime rate range is given, then the average of such range shall be used; in the event that the Prime Rate is no longer published, the Administrative Agent shall designate a new index based upon comparable data and methodology.

“**Proceeds**” shall have the meaning given to it under the UCC and shall include without limitation the collections and distributions of Collateral, cash or non-cash.

“**Property**” or “**Properties**” means one or more of all real property owned, leased or otherwise used or occupied by a Loan Party or any Subsidiary of a Loan Party, wherever located.

“**Quarterly Payment Date**” means each of April 5, July 5, October 5 and January 5, or, if any such day is not a Business Day, the next succeeding Business Day.

“**Quoted Investment**” means a Portfolio Investment for which market quotations are readily available from an Approved Pricing Service, or, in the case of Eligible Quoted Senior Bank Loan Investments, from an Approved Pricing Service or an Approved Dealer. All Eligible Quoted Senior Bank Loan Investments and Eligible Debt Securities must be Quoted Investments.

“**Receivables**” shall have the meaning assigned to the term “**Accounts**” in the Security Agreement.

“**Redeemable Preferred Securities**” of any Person means any preferred stock or similar Capital Securities (including, without limitation, limited liability company membership interests and limited partnership interests) issued by such Person which is at any time prior to the Termination Date either (i) mandatorily redeemable (by sinking fund or similar payments or otherwise) or (ii) redeemable at the option of the holder thereof (other than (x) if such holder is a Loan Party, (y) as a result of a change of control or (z) in connection with any purchase, redemption, retirement, acquisition, cancellation or termination with, or in exchange for, shares of Capital Securities that are not Redeemable Preferred Securities).

~~“**Reference Time**” with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the LIBO Rate, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not the LIBO Rate, the time determined by the Administrative Agent in its reasonable discretion.~~

“**Register**” has the meaning set forth in **Section 9.07(c)**.

“**Related Parties**” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates.

“**Related Property**” means, with respect to any Portfolio Investment, any property or other assets of the Obligor thereunder pledged or purported to be pledged as collateral to secure the repayment of such Portfolio Investment.

“**Relevant Governmental Body**” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York, or any successor of any of the foregoing.

“**Relevant Test Period**” means with respect to each Obligor on a Debt Security or a Senior Bank Loan Investment, the relevant test period for the calculation of Net Senior Leverage Ratio or Cash Interest Coverage Ratio, as applicable, for such Debt Security or Senior Bank Loan Investment in accordance with the related underlying Investment Documents or, if no such period is provided for therein, the last four consecutive reported fiscal quarters of the principal Obligor on such Debt Security or Senior Bank Loan Investment; provided that with respect to any Debt Security or Senior Bank Loan Investment for which the relevant test period is not provided for in the related underlying Investment Documents, if four (4) consecutive fiscal quarters have not yet elapsed since the closing date of the relevant underlying Investment Documents, “Relevant Test Period” shall initially include the period from such closing date to the end of the fourth fiscal quarter thereafter, and shall subsequently include each period of the last four (4) consecutive reported fiscal quarters of such Obligor.

“**Required Lenders**” means at any time Lenders having at least 50.01% of the aggregate amount of the Revolver Commitments or, if the Revolver Commitments are no longer in effect, Lenders holding at least 50.01% of the aggregate outstanding principal amount of the Revolver Notes; provided, however, that the Revolver Commitments and any outstanding Revolver Advances of any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders; provided, further, that at least three (3) unaffiliated Lenders, including the Administrative Agent, shall be required to constitute “Required Lenders” hereunder.

“**Resolution Authority**” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“**Responsible Officer**” means, as to any Person, the president, chief executive officer, chief financial officer, senior vice president, vice president, senior managing director or treasurer of such Person.

“**Restatement Date**” means March 6, 2017.

“**Restricted Payment**” means (i) any dividend or other distribution on any shares of the Borrower’s Capital Securities (except dividends payable solely in shares of its Capital Securities); (ii) any payment of management, consulting, advisory or similar fees; or (iii) any payment on account of the purchase, redemption, retirement or acquisition of (a) any shares of the Borrower’s Capital Securities (except shares acquired upon the conversion thereof into other shares of its Capital Securities) or (b) any option, warrant or other right to acquire shares of the Borrower’s Capital Securities (it being understood that none of: (x) the conversion features under convertible notes; (y) the triggering and/or settlement thereof or in respect of the mandatory redemption or repurchase of such notes resulting from a “fundamental change” (as such term is customarily defined in convertible note offerings); or (z) any cash payment made by the Borrower in respect thereof, shall constitute a Restricted Payment hereunder).

“**Revolver Advance**” means an Advance made to the Borrower under this Agreement pursuant to **Section 2.01**.

“**Revolver Commitment**” means, with respect to each Lender, (i) the amount set forth opposite the name of such Lender on **Schedule B**, as the same may be amended or modified from time to

time pursuant to the terms hereof, or (ii) as to any Lender which enters into an Assignment and Assumption (whether as transferor Lender or as assignee thereunder), the amount of such Lender's Revolver Commitment after giving effect to such Assignment and Assumption, in each case as such amount may be reduced from time to time pursuant to **Section 2.08** or terminated pursuant to **Section 2.09**.

"Revolver Notes" means the promissory notes of the Borrower, substantially in the form of **Exhibit B-1** hereto, evidencing the obligation of the Borrower to repay the Revolver Advances, together with all amendments, consolidations, modifications, renewals, substitutions and supplements thereto or replacements thereof and "Revolver Note" means any one of such Revolver Notes.

"RIC" or "regulated investment company" shall mean an investment company or business development company that qualifies for the special tax treatment provided for by subchapter M of the Code.

"Sale/Leaseback Transaction" means any arrangement with any Person providing, directly or indirectly, for the leasing by any Loan Party or any of its Subsidiaries of real or personal property which has been or is to be sold or transferred by any Loan Party or such Subsidiary to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or rental obligations of any Loan Party or such Subsidiary.

"Sanctioned Entity" shall mean (i) a country or a government of a country, (ii) an agency of the government of a country, (iii) an organization directly or indirectly controlled by a country or its government, (iv) a person or entity resident in or determined to be resident in a country, that is subject to a country sanctions program administered and enforced by OFAC described or referenced at <http://www.ustreas.gov/offices/enforcement/ofac/> or as otherwise published from time to time.

"Second Largest Industry Classification Group" means, as of any date of determination, after giving effect to Advance Rates, the single Industry Classification Group to which a greater portion of the Borrowing Base has been assigned than any other single Industry Classification Group other than the Largest Industry Classification Group.

"Secured Parties" shall mean collectively: (1) the Administrative Agent in its capacity as such under this Agreement, the Collateral Documents and the other Loan Documents; (2) the Lenders, (3) the Hedge Counterparties in their capacity as such under the Hedging Agreements; (4) any Bank Product Bank or Cash Management Bank; and (5) except as otherwise provided in the definitions of "Bank Products", "Cash Management Services" and "Hedging Counterparties," the successors and assigns of the foregoing.

"Security Agreement" means the Amended and Restated General Security Agreement, substantially in the form of **Exhibit J**, by and between the Borrower, the Guarantors and the Administrative Agent for the benefit of the Secured Parties to be executed and delivered in connection herewith.

"SEMS" means the Superfund Enterprise Management System Database.

"Senior Bank Loan Investment" means a Portfolio Investment constituting a Debt obligation (including without limitation term loans, over-the-counter debt securities, middle market investments, the funded portion of revolving credit lines and letter of credit facilities and other similar loans and investments including interim loans) which is made by Borrower as a lender under a syndicated loan or credit facility.

"Senior Debt" means all Debt of any Person other than Debt that is junior or subordinated in right of payment or upon liquidation.

"Senior Securities" means senior securities (as such term is defined and determined pursuant to the Investment Company Act and any no-action letters or orders of the Securities and

Exchange Commission issued to or with respect to the Borrower or generally to business development companies thereunder, including, without limitation any exemptive relief granted by the Securities and Exchange Commission with respect to the Debt of any joint venture, Structured Subsidiary or otherwise (including, for the avoidance of doubt, any exclusion of such Debt in the foregoing calculation).

“Seventh Amendment” means that certain Seventh Amendment to Credit Agreement, dated as of the Seventh Amendment Effective Date, by and among the Loan Parties, Administrative Agent and the Lenders party thereto.

“Seventh Amendment Effective Date” shall mean April 27, 2023.

“Significant Unsecured Indebtedness Event” means that the aggregate principal amount of unsecured Debt of the Borrower and its Subsidiaries exceeds, at any time of determination, the sum of (A) the excess of the Borrowing Base over the Covered Debt Amount plus (B) 30% of the shareholder’s equity in the Structured Subsidiary (as calculated by the Consolidated Tangible Net Worth less the Consolidated Tangible Net Worth of the Loan Parties).

“Sixth Amendment” means that certain Sixth Amendment to Credit Agreement, dated as of the Sixth Amendment Effective Date, by and among the Loan Parties, Administrative Agent and the Lenders party thereto.

“Sixth Amendment Effective Date” shall mean September 22, 2021.

“SOFR” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published as administered by the SOFR Administrator on the SOFR Administrator’s Website at approximately 8:00 a.m. (New York City time) on the immediately succeeding Business Day.

“SOFR Administrator” means the Federal Reserve Bank of New York (or any successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the SOFR Administrator’s website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“Special Purpose Subsidiary” shall mean any single purpose Subsidiary created for the purpose of holding specific assets.

“Standard Securitization Undertakings” means, collectively, (a) customary arms-length servicing obligations (together with any related performance guarantees), (b) obligations (together with any related performance guarantees) to refund the purchase price or grant purchase price credits for dilutive events or misrepresentations, and (c) representations, warranties, covenants and indemnities (together with any related performance guarantees) of a type that are reasonably customary in commercial loan securitizations (in each case in **clauses (a), (b) and (c)** excluding obligations related to the collectability of the assets sold (other than representations made at the time of the transfer of such assets that, to the actual knowledge of the transferor, no event has occurred and is continuing which could reasonably be expected to affect the collectability of such assets or cause them not to be paid in full) or the creditworthiness of the underlying obligors and excluding obligations that constitute credit recourse).

“Structured Subsidiaries” means:

(a) MSIF Funding LLC;

(b) in the case of any entity which qualifies as a Structured Subsidiary (other than a passive holding company) after the Sixth Amendment Effective Date, a direct or indirect Subsidiary of the Borrower which engages in no material activities other than in connection with the purchase or

financing of assets from the Loan Parties or any other Person, and which is designated by the Borrower (as provided below) as a Structured Subsidiary, so long as:

(i) no portion of the Debt or any other obligations (contingent or otherwise) of such Subsidiary (x) is Guaranteed by any Loan Party (other than Guarantees in respect of Standard Securitization Undertakings), (y) is recourse to or obligates any Loan Party in any way other than pursuant to Standard Securitization Undertakings or (z) subjects any property of any Loan Party (other than property that has been contributed or sold or otherwise transferred to such Subsidiary in accordance with the terms of **Section 5.17**), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings or any Guarantee thereof;

(ii) no Loan Party has any material contract, agreement, arrangement or understanding with such Subsidiary other than on terms, taken as a whole, no materially less favorable to such Loan Party than those that might be obtained at the time from Persons that are not Affiliates of any Loan Party, other than fees payable in the ordinary course of business in connection with servicing loan assets; and

(iii) no Loan Party has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results; and

(c) in the case of a passive holding company which qualifies as a Structured Subsidiary (as provided below) after the Sixth Amendment Effective Date, such passive holding company, so long as:

(i) such passive holding company is the direct parent of a Structured Subsidiary referred to in clauses (a) or (b);

(ii) such passive holding company engages in no activities and has no assets (other than in connection with the transfer of assets to and from a Structured Subsidiary referred to in clauses (a) or (b)), and its ownership of all of the equity interests of a Structured Subsidiary referred to in clauses (a) or (b) or liabilities;

(iii) no Loan Party has any contract, agreement, arrangement or understanding with such passive holding company; and

(iv) no Loan Party has any obligation to maintain or preserve such passive holding company's financial condition or cause such entity to achieve certain levels of operating results.

Except as provided in the next sentence, any such designation by the Borrower pursuant to clauses (b) or (c) shall be effected pursuant to a certificate of a Responsible Officer delivered to the Administrative Agent, which certificate shall include a statement to the effect that, to the best of such Responsible Officer's knowledge, such designation complied with the foregoing conditions. Notwithstanding anything herein to the contrary, any such Subsidiary (and any other Subsidiary designated by the Borrower from time to time as a "Structured Subsidiary" pursuant hereto) shall not be deemed a Structured Subsidiary if it does not comply with all of the foregoing conditions in this definition. Each Subsidiary of a Structured Subsidiary shall be deemed to be a Structured Subsidiary and shall comply with the foregoing requirements of this definition.

"Subordinated Main Street Debt" means any obligations owing by Borrower under the Subordinated Main Street Loan Agreement; provided, that, the aggregate principal amount of loans made pursuant to the Subordinated Main Street Loan Agreement shall not exceed the Subordinated Main Street Debt Cap.

"Subordinated Main Street Debt Cap" means \$60,000,000; provided, however, such amount shall be increased by the aggregate principal amount of any Delayed Draw Loans (as defined in the Subordinated Main Street Loan Agreement) made by Subordinated Main Street Lender to Borrower in

accordance with Section 1(a)(iii) of the Subordinated Main Street Loan Agreement, so long as the Subordinated Main Street Debt Payment Conditions shall have been satisfied both immediately before and after giving effect to any such Delayed Draw Loan.

“Subordinated Main Street Debt Payment Conditions” means the following conditions:

- a) no Default or Event of Default shall have occurred and be continuing;
- b) no “Event of Default” (as defined in the Subordinated Main Street Loan Agreement) shall have occurred and be continuing;
- c) no default in payment of any amount, or any other default of which Borrower shall have knowledge, shall have occurred and be continuing or shall occur with respect to any other Debt for borrowed money of Borrower or any of its Consolidated Subsidiaries in an aggregate principal amount in excess of \$250,000;
- d) with respect to any Delayed Draw Loan (as defined in the Subordinated Main Street Loan Agreement), Borrower shall have provided Administrative Agent with no less than five (5) Business Days’ (or such shorter period agreed to by Administrative Agent) prior written notice of such Delayed Draw Loan; and
- e) with respect to any Delayed Draw Loan (as defined in the Subordinated Main Street Loan Agreement), Administrative Agent shall have received an Officer’s Certificate to the effect that the representations and warranties of the Loan Parties contained in **Article IV** of this Agreement and the other representations and warranties contained in the other Loan Documents shall be true, in all material respects, on and as of the date of such Delayed Draw Loan (except to the extent that any such representations and warranties speak as to a specific date, in which case such representations and warranties shall be true as of such date).

“Subordinated Main Street Lender” means Main Street Capital Corporation, a Maryland corporation.

“Subordinated Main Street Loan Agreement” means that certain Amended and Restated Term Loan Agreement, dated as of the Fifth Amendment Effective Date, by and between Subordinated Main Street Lender and Borrower, as amended, restated, supplemented or otherwise modified from time to time, in each case, in accordance with this Agreement. A copy of the Subordinated Main Street Loan Agreement, as in effect on the Fifth Amendment Effective Date, is attached as Appendix B to the Fifth Amendment.

“Subordinated Main Street Second Upfront Fee” means the “Second Upfront Fee” as defined in the Subordinated Main Street Loan Agreement.

“Subsidiary” of any Person means a corporation, partnership or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interest having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person; provided however, the term “Subsidiary” shall not include any Person that constitutes an investment made by the Borrower or a Subsidiary in the ordinary course of business and consistently with the Investment Policies in a Person that is accounted for under GAAP as a portfolio investment of the Borrower. Unless otherwise qualified, all references to a **“Subsidiary”** or to **“Subsidiaries”** in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower. For the avoidance of doubt, a Loan Fund Joint Venture shall be deemed not to be a Subsidiary of any Loan Party.

“Swing Advance” means an Advance made by the Swingline Lender pursuant to **Section 2.01**, which must be an ABR Advance.

“**Swing Advance 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.

“**Swing Borrowing**” means a borrowing hereunder consisting of Swing Advances made to the Borrower by the Swingline Lender pursuant to **Article II**.

“**Swingline Lender**” means TIAA, in its capacity as lender of Swing Advances hereunder.

“**Taxes**” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“**Term SOFR**” means, ~~for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.~~

“**Term SOFR Notice**” means a notification ~~by the Administrative Agent to the Lenders and the Borrower of the occurrence of a Term SOFR Transition Event.~~

(a) for any calculation with respect to a Euro-Dollar Advance, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, 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 Periodic Term SOFR Determination 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 U.S. Government Securities 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 U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

~~“**Term SOFR Transition Event**” means the determination by the Administrative Agent that Term SOFR (a) has been selected or recommended or use by the Relevant Government Body, (b) is operationally, administratively and technically feasible for the Administrative Agent and (c) a Benchmark Transition Event or an Early Opt-in Election, as applicable, has previously occurred resulting in a Benchmark Replacement in accordance with Section 8.01(b) that is not Term SOFR.~~ (b) for any calculation with respect to an ABR Advance on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “ABR Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, 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 ABR Term SOFR Determination 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 U.S. Government Securities 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 U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR SOFR Determination Day;

provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

“Term SOFR Adjustment” means a percentage equal to 0.10% per annum.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“Termination Date” means the earlier to occur of (i) September 1, 2025 or such date as extended pursuant to **Section 2.15**, (ii) the date the Revolver Commitments are terminated pursuant to **Section 6.01** following the occurrence of an Event of Default, or (iii) the date the Borrower terminates the Revolver Commitments entirely pursuant to **Section 2.08**.

“Third Parties” means all lessees, sublessees, licensees and other users of the Properties, excluding those users of the Properties in the ordinary course of the Borrower’s business and on a temporary basis.

“TIAA” shall have the meaning set forth in the preamble hereto.

“Title Policy” means with respect to each Mortgaged Property, the mortgagee title insurance policy (together with such endorsements as the Administrative Agent may reasonably require) issued to the Administrative Agent in respect of such Mortgaged Property by an insurer selected by the Administrative Agent, insuring (in an amount satisfactory to the Administrative Agent) the Lien of the Administrative Agent for the benefit of the Secured Parties on such Mortgaged Property to be duly perfected and first priority, subject only to Permitted Encumbrances and such other exceptions as shall be acceptable to the Administrative Agent.

“Total Unused Revolver Commitments” means at any date, an amount equal to: (A) the aggregate amount of the Revolver Commitments of all of the Lenders at such time, less (B) the sum of the aggregate outstanding principal amount of the Revolver Advances of all of the Lenders at such time.

“UCC” means the Uniform Commercial Code as from time to time in effect in the specified jurisdiction.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unquoted Investment” means a Portfolio Investment for which market quotations from an Approved Pricing Service, or, in the case of Eligible Senior Bank Loan Investments, an Approved Pricing Service or Approved Dealer, are not readily available. Only Eligible Core Portfolio Investments and Eligible Unquoted Senior Bank Loan Investments may be Unquoted Investments.

“Unrestricted Cash and Cash Equivalents” means, as of any date of determination, the Cash and Cash Equivalents of Borrower to the extent that such Cash and Cash Equivalents (a) are free and clear of all Liens (other than Liens permitted under **Sections 5.14(j)** and **5.14(l)**), any legal or equitable claim or other interest held by any other Person, and any option or right held by any other

Person to acquire any such claim or other interest, (b) are not subject to any restriction pursuant to any provision of any outstanding Capital Securities issued by any Person or of any Material Contract to which it is a party or by which it or any of its property is bound (other than the Loan Documents) and (c) are the subject of a control agreement that creates a valid and perfected first-priority security interest in and lien in favor of the Administrative Agent for the benefit of the Secured Parties.

“Unsecured Longer-Term Debt” means any Debt for borrowed money of a Loan Party that (a) has no amortization, or mandatory redemption, repurchase or prepayment prior to, and a final maturity date not earlier than, six months after the Final Maturity Date (it being understood that: (i) (x) the conversion features under convertible notes or (y) the triggering of such conversion and/or settlement thereof, except in the case of interest expense or fractional shares (which may be payable in cash), shall not constitute “amortization”, “redemption”, “repurchase” or “prepayment” for the purposes of this definition and (ii) any amortization, mandatory redemption, repurchase or prepayment obligation or put right that is contingent upon the happening of an event that is not certain to occur (including, without limitation, a change in control or bankruptcy) shall not in and of itself be deemed to disqualify such Debt under this clause (a)), (b) is incurred pursuant to documentation containing (i) financial covenants, covenants governing the borrowing base, if any, covenants regarding portfolio valuations and events of default that are no more restrictive in any respect than those set forth in this Agreement (other than, if such Debt is governed by a customary indenture or similar instrument, events of default that are customary in indentures or similar instruments and that have no analogous provisions in this Agreement or credit agreements generally) (it being understood that put rights or repurchase or redemption obligations (x) in the case of convertible securities, in connection with the suspension or delisting of the Capital Securities of the Borrower or the failure of the Borrower to satisfy a continued listing rule with respect to its Capital Securities or (y) arising out of circumstances that would constitute a “fundamental change” (as such term is customarily defined in convertible note offerings), a “change of control repurchase event” (as such term is customarily defined in institutional note offerings) or be Events of Default under this Agreement shall not be deemed to be more restrictive for purposes of this definition) and (ii) other terms that are substantially comparable to market terms for substantially similar debt of other similarly situated borrowers as reasonably determined in good faith by the Borrower and (c) is not secured by any assets of any Loan Party. For the avoidance of doubt, Unsecured Longer-Term Debt shall also include any refinancing, refunding, renewal or extension of any Unsecured Longer-Term Debt so long as such refinanced, refunded, renewed or extended Debt continues to satisfy the requirements of this definition.

“Unsecured Shorter-Term Debt” means all unsecured Debt issued after the Sixth Amendment Effective Date that has a maturity date earlier than 6 months after the Final Maturity Date.

“Unused Commitment” means at any date, with respect to any Lender, an amount equal to its Revolver Commitment less the sum of the aggregate outstanding principal amount of the sum of its Revolver Advances.

“Unused Commitment Fee” has the meaning set forth in **Section 2.07(a)**.

“USA Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56, signed into law October 26, 2001, as amended, modified, supplemented or restated from time to time.

“U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday or (c) 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.

“Value” means, as of any date of determination, the value assigned by the Borrower to each of its Portfolio Investments as provided below:

(a) **Quoted Investments.** With respect to Quoted Investments, the Borrower shall, not less frequently than once per week, or upon request of the Administrative Agent, determine

the market value of such Portfolio Investments in accordance with the following methodologies, as applicable:

- (i) in the case of any Portfolio Investment traded on an exchange, the closing price for such Portfolio Investment most recently posted on such exchange;
- (ii) in the case of any Portfolio Investment not traded on an exchange, the fair market value thereof as determined by an Approved Pricing Service or other quotation acceptable to the Administrative Agent in its sole discretion; and
- (iii) in the case of any Eligible Quoted Senior Bank Loan Investment not traded on an exchange or priced by an Approved Pricing Service, the average ask and bid prices as determined by two Approved Dealers selected by the Borrower; provided, however, that to the extent a single agent or counterparty makes the market in the Eligible Quoted Senior Bank Loan Investment, the average ask and bid prices as determined by the single Approved Dealer shall be used.

(b) Unquoted Investments. (i) With respect to Unquoted Investments, the fair value of such Investment shall be determined, not less frequently than once per Fiscal Quarter, in accordance with, the Investment Company Act and any orders of the Securities and Exchange Commission by the Board of Directors (or appropriate committee thereof with the necessary delegated authority) of the Borrower in its good faith judgment and consistent with past practices as described in the Borrower's reports and other filings filed with the Securities and Exchange Commission as such practices may be amended from time to time in accordance with the last sentence in this definition of "Value", including consideration of valuation procedures of a third-party valuation firm selected by the Borrower and reasonably acceptable to the Administrative Agent, and as approved by the Administrative Agent in its reasonable credit judgment. The valuation practices described in the Borrower's reports and other filings filed with the Securities and Exchange Commission may be amended from time to time provided that the Borrower shall furnish to the Administrative Agent, prior to the effective date of any material amendment or modification, prompt notice of any such material amendment or modification to such practices and shall not agree or otherwise permit to occur any modification of such practices in any manner that would or would reasonably be expected to adversely affect the interests or remedies of the Administrative Agent or the Secured Parties under this Agreement or any Loan Document or impair the collectability of any Investment without the prior written consent of the Administrative Agent (in its sole discretion).

(ii) In addition to receiving third-party portfolio valuation reports from the Borrower, the Administrative Agent shall be permitted to engage the services of an independent valuation firm in a manner consistent with its existing procedures to provide assistance in the determination of any Unquoted Investments that is not an LTV Investment (other than those identified as LTV Investments pursuant to clause (xxxi) of the definition of "Eligible Core Portfolio Investment," clause (xv) of the definition of "Eligible Debt Security" or clause (xxviii) of the definition of "Eligible Senior Bank Loan Investment") (A) whose Net Senior Leverage Ratio is more than 1.0x greater than the Net Senior Leverage Ratio measured as of the Restatement Date or thereafter at the time of the original acquisition by the Borrower thereof, as the case may be and has Net Senior Leverage Ratio greater than 4.0x or (B) that has negative EBITDA for two consecutive fiscal quarters.

"Value Triggering Event" means after the related Advance with respect to a Debt Security or a Senior Bank Loan Investment, such Debt Security or Senior Bank Loan Investment has a Value of less than 65% of par value and the occurrence of any one of more of the following events:

- (a) the Net Senior Leverage Ratio for any Relevant Test Period of the related Obligor with respect to such Debt Security or Senior Bank Loan Investment is (i) greater than 3.50 and (ii) greater than 0.50 higher than the original Net Senior Leverage Ratio on the date that the investment in the Debt Security or Senior Bank Loan Investment was made by Borrower

(such original Net Senior Leverage Ratio determined based upon pro forma data in the offering materials to the extent such Debt Security or Senior Bank Loan Investment was made by the Borrower prior to four full fiscal quarters elapsing since the date on which the Obligor incurred the relevant Debt); or

(b) the Cash Interest Coverage Ratio for any Relevant Test Period of the related Obligor with respect to such Debt Security or Senior Bank Loan Investment is (i) less than 1.50 to 1.00 and (ii) less than 85% of the original Cash Interest Coverage Ratio on the date that the investment in the Debt Security or Senior Bank Loan Investment was made by Borrower (such original Cash Interest Coverage Ratio determined based upon pro forma data in the offering materials to the extent such Debt Security or Senior Bank Loan Investment was made by the Borrower prior to four full fiscal quarters elapsing since the date on which the Obligor incurred the relevant Debt); or

(c) an Obligor payment default under such Debt Security or Senior Bank Loan Investment (after giving effect to any grace and/or cure period set forth in the applicable loan agreement, but not to exceed five days) (including in respect of the acceleration of the debt under the applicable underlying Investment Document); or

(d) a default as to all or any portion of one or more payments of principal or interest has occurred in relation to any other senior or pari passu obligation for borrowed money of the related Obligor (after giving effect to any grace and/or cure period set forth in the applicable underlying Investment Document, but not to exceed five days); or

(e) the failure of the related Obligor to deliver (i) with respect to quarterly reports, any financial statements (including unaudited financial statements) to the Administrative Agent sufficient to calculate any applicable Net Senior Leverage Ratio of the related Obligor by the date that is no later than ninety (90) days after the end of the first, second or third quarter of any fiscal year, and (ii) with respect to annual reports, any audited financial statements to the Administrative Agent sufficient to calculate any applicable Net Senior Leverage Ratio of the related Obligor by the date that is no later than one hundred and fifty (150) days after the end of any fiscal year; or

(f) any amendment or waiver of, or modification or supplement to, the underlying Investment Documents governing a Loan executed on or effected on or after the date on which the Borrower acquired such Loan is entered into that amends, waives, forbears, supplements or otherwise modifies in any way the definition of “Net Senior Leverage Ratio” or “Cash Interest Coverage Ratio” (or any respective comparable definition in the applicable underlying Investment Documents) or the definition of any component thereof in a manner that, in the reasonable discretion of the Administrative Agent, is materially adverse to the Administrative Agent or any Lender.

“**Voting Stock**” means securities (as such term is defined in **Section 2(1)** of the Securities Act of 1933, as amended) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to cast votes in any election of any corporate directors (or Persons performing similar functions).

“**Weighted Average Net Senior Leverage Ratio**” means, as of any date of determination, an amount equal (i) to the product of (x) the aggregate sum, with respect to each Eligible Investment included in the Borrowing Base (excluding Cash and Cash Equivalents), of the Net Senior Leverage Ratio for the obligor of such Eligible Investment of all Debt that has a ranking of payment or lien priority senior to or pari passu with and including the tranche that includes such Eligible Investment, times (y) the Value of such Eligible Investment as of such date, divided by (ii) the aggregate of the Values of all such Eligible Investments, rounded up to the nearest 0.01.

“**Weighted Average Yield Test**” means, as of any date of determination, an amount equal (i) to the product of (x) the aggregate sum, with respect to each Eligible Investment included in the

Borrowing Base (excluding Cash and Cash Equivalents), of the per annum rate of current cash interest for such Eligible Investments, times (y) the Value of such Eligible Investment as of such date, divided by (ii) the aggregate of the Values of all such Eligible Investments, rounded up to the nearest 0.01.

“Wholly Owned Subsidiary” means any Subsidiary all of the Capital Securities of which are at the time directly or indirectly owned by the Borrower.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02. **Accounting Terms and Determinations.** Unless otherwise specified herein, all terms of an accounting character used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with GAAP, applied on a basis consistent (except for changes concurred in by the Borrower’s independent public accountants or otherwise required by a change in GAAP or Applicable Law) with the most recent audited consolidated financial statements of the Borrower and its Consolidated Subsidiaries delivered to the Administrative Agent for distribution to the Lenders, unless with respect to any such change concurred in by the Borrower’s independent public accountants or required or permitted by GAAP or Applicable Law, in determining compliance with any of the provisions of this Agreement or any of the other Loan Documents: (i) the Borrower shall have objected to determining such compliance on such basis at the time of delivery of such financial statements, or (ii) the Required Lenders shall so object in writing within 30 days after the delivery of such financial statements, in either of which events such calculations shall be made on a basis consistent with those used in the preparation of the latest financial statements as to which such objection shall not have been made (which, if objection is made in respect of the first financial statements delivered under **Section 5.01** hereof, shall mean the financial statements referred to in **Section 4.04**).

SECTION 1.03. **Use of Defined Terms.** All terms defined in this Agreement shall have the same meanings when used in any of the other Loan Documents, unless otherwise defined therein or unless the context shall otherwise require.

SECTION 1.04. **Terms Generally.** The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein,” “hereof” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time; (f) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights; and

(g) titles of Articles and Sections in this Agreement are for convenience only, and neither limit nor amplify the provisions of this Agreement.

SECTION 1.05. Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Capital Securities at such time.

ARTICLE II THE CREDIT

SECTION 1.01. Commitments to Make Advances. (a) Each Lender severally agrees, on the terms and conditions set forth herein, to make Revolver Advances to the Borrower from time to time before the Termination Date; provided that, immediately after each such Revolver Advance is made, the aggregate outstanding principal amount of Revolver Advances by such Lender shall not exceed the amount of the Revolver Commitment of such Lender at such time, provided further that (i) the aggregate principal amount of all Revolver Advances shall not exceed the lesser of: (1) the Borrowing Base; and (2) the aggregate amount of the Revolver Commitments of all of the Lenders at such time and (ii) the Covered Debt Amount shall not exceed the Borrowing Base. Each Revolver Advance shall be in an aggregate principal amount of \$1,000,000 or any larger multiple of \$100,000 (except that any such Revolver Advance may be in the aggregate amount of the Total Unused Revolver Commitments) and shall be made from the several Lenders ratably in proportion to their respective Revolver Commitments. Each Lender shall make each Advance to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 1:00 P.M. (Eastern time), to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders; provided that Swing Advances shall be made as provided in Section 2.01(b). The Administrative Agent will make such Advances available to the Borrower by promptly crediting the amounts so received, in like funds, to an account of the Borrower designated by the Borrower in the applicable Notice of Borrowing. Within the foregoing limits, the Borrower may borrow under this Section, repay or, to the extent permitted by Section 2.10, prepay Revolver Advances and reborrow under this Section 2.01 at any time before the Termination Date.

(b) In addition to the foregoing, the Swingline Lender shall from time to time, upon the request of the Borrower by delivery of a Notice of Borrowing 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, (i) the aggregate principal amount of all Revolver Advances shall not exceed the lesser of: (1) the Borrowing Base; and (2) the aggregate amount of the Revolver Commitments of all of the Lenders at such time and (ii) the Covered Debt Amount shall not exceed the Borrowing Base. Each Swing Advance under this Section 2.01 shall be in an aggregate principal amount of \$500,000 or any larger multiple of \$100,000. Within the foregoing limits, the Borrower may borrow Swing Advances under this Section 2.01, prepay and reborrow Swing Advances under this Section 2.01 at any time before the Termination Date. Solely for purposes of calculating fees under Section 2.07, Swing Advances shall not be considered a utilization of an Advance of the Swingline Lender or any other Lender hereunder. The Swingline Lender shall make each applicable Swing Advance available to the Borrower by means of a credit to the Borrower's account specified in such Notice of Borrowing by 3:00 P.M. (Eastern time), on the requested date of such Swing Advance. 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, Event of Default or the termination of the Commitments; (iii) any adverse change in the condition (financial, business or otherwise) of the Borrower, any Loan Party 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.

SECTION 1.02. Method of Borrowing Advances.

(a) For Revolver Advances, the Borrower shall give the Administrative Agent notice in the form attached hereto as **Exhibit A** (a "**Notice of Borrowing**") prior to (i) 12:00 P.M. (Eastern time) at least one Business Day before each ABR Borrowing, and (ii) 11:00 A.M. (Eastern time) at least one (1) ~~Euro-Dollar~~U.S. Government Securities Business Day before each Euro-Dollar Borrowing, specifying:

(i) the date of such Borrowing, which shall be a Business Day in the case of an ABR Borrowing and a ~~Euro-Dollar~~U.S. Government Securities Business Day in the case of a Euro-Dollar Borrowing,

(ii) the aggregate amount of such Borrowing,

(iii) whether the Revolver Advances comprising such Borrowing are to be ABR Advances or Euro-Dollar Advances and

(iv) in the case of a Euro-Dollar Borrowing, the duration of the Interest Period applicable thereto, subject to the provisions of the definition of Interest Period.

(b) Upon receipt of a Notice of Borrowing requesting Revolver Advances, the Administrative Agent shall promptly notify each Lender of the contents thereof and of such Lender's ratable share of such Borrowing and such Notice of Borrowing, once received by the Administrative Agent, shall not be revocable by the Borrower.

(c) Not later than 11:00 A.M. (Eastern time) on the date of each Borrowing, each Lender shall make available its ratable share of such Borrowing, in Federal or other funds immediately available in Houston, Texas, to the Administrative Agent at its address referred to in or specified pursuant to **Section 9.01**. Unless the Administrative Agent determines that any applicable condition specified in **Article III** has not been satisfied, the Administrative Agent will disburse the funds so received from the Lenders to the Borrower.

(d) Notwithstanding anything to the contrary contained in this Agreement, no Euro-Dollar Borrowing may be made if there shall have occurred a Default, which Default shall not have been cured or waived.

(e) In the event that a Notice of Borrowing fails to specify whether the Revolver Advances comprising such Borrowing are to be ABR Advances or Euro-Dollar Advances, such Revolver Advances shall be made as ABR Advances. If the Borrower is otherwise entitled under this Agreement to repay any Revolver Advances maturing at the end of an Interest Period applicable thereto with the proceeds of a new Borrowing, and the Borrower fails to repay such Revolver Advances using its own moneys and fails to give a Notice of Borrowing in connection with such new Borrowing, a new Borrowing shall be deemed to be made on the date such Revolver

Advances mature in an amount equal to the principal amount of the Revolver Advances so maturing, and the Revolver Advances comprising such new Borrowing shall be ABR Advances.

(f) Intentionally Omitted.

(g) For Swing Advances, the Borrower shall give the Administrative Agent notice in the form of a Notice of Borrowing prior to 1:00 P.M. (Eastern time) on the Business Day of the Swing Advance, specifying (i) the aggregate amount of such Advance, (ii) that it shall be a Swing Advance. All Swing Advances will be deemed to be an ABR Advance. Unless the Administrative Agent determines that any applicable condition specified in Article III has not been satisfied, the Swingline Lender will make available to the Borrower the amount of any such Swing Advance.

SECTION 1.03. Continuation and Conversion Elections. By delivering a notice (a “Notice of Conversion”), which shall be substantially in the form of Exhibit C, to the Administrative Agent on or before 12:00 P.M., Eastern time, on a Business Day (or ~~Euro-Dollar~~U.S. Government Securities Business Day, in the case of Euro-Dollar Advances outstanding), the Borrower may from time to time irrevocably elect, by notice one Business Day prior in the case of a conversion to ABR Advances or one (1) ~~Euro-Dollar~~U.S. Government Securities Business Day prior in the case of a conversion to Euro-Dollar Advances, that all, or any portion in an aggregate principal amount of \$1,000,000 or any larger integral multiple of \$100,000 be, (i) in the case of ABR Advances, converted into Euro-Dollar Advances or (ii) in the case of Euro-Dollar Advances, converted into ABR Advances; provided, however, that (x) each such conversion shall be pro rated among the applicable outstanding Revolver Advances of all Lenders that have made such Revolver Advances, and (y) no portion of the outstanding principal amount of any Revolver Advances may be continued as, or be converted into, any Euro-Dollar Advance when any Default has occurred and is continuing. In the absence of delivery of (i) a timely Notice of Conversion with respect to any ABR Advance, such ABR Advance shall continue as an ABR Advance or (ii) a Notice of Conversion with respect to any Euro-Dollar Advance at least three (3) ~~Euro-Dollar~~U.S. Government Securities Business Days before the last day of the then current Interest Period with respect thereto, such Euro-Dollar Advance shall, on such last day, automatically continue as a Euro-Dollar Advance.

SECTION 1.04. Notes. The Revolver Advances of each Lender shall, upon the request of such Lender made through the Administrative Agent, be evidenced by a single Revolver Note payable to the order of such Lender for the account of its Lending Office in an amount equal to the original principal amount of such Lender’s Revolver Commitment. The Swing Advances of the Swingline Lender shall be evidenced by a single Swing Advance Note payable to the order of the Swingline Lender in an amount equal to the original principal amount of \$10,000,000. Upon receipt of each Lender’s Note pursuant to Section 3.01, the Administrative Agent shall deliver such Note to such Lender. Interest on the daily outstanding principal amount of each Note shall be payable on each Interest Payment Date. Each Lender requesting a Note shall record, and prior to any transfer of its Note shall endorse on the schedule forming a part thereof appropriate notations to evidence, the date, amount and maturity of, and effective interest rate for, each Advance made by it, the date and amount of each payment of principal made by the Borrower with respect thereto and such schedule shall constitute rebuttable presumptive evidence of the principal amount owing and unpaid on such Lender’s Note; provided that the failure of any Lender to make, or any error in making, any such recordation or endorsement shall not affect the obligation of the Borrower hereunder or under the Note or the ability of any Lender to assign its Notes. Each Lender is hereby irrevocably authorized by the Borrower so to endorse its Notes and to attach to and make a part of any Note a continuation of any such schedule as and when required.

SECTION 1.05. Maturity of Advances. Each Advance included in any Borrowing or Swing Borrowing shall mature, and the principal amount thereof, together with all accrued unpaid interest thereon, shall be due and payable on the Final Maturity Date.

SECTION 1.06. Interest Rates.

(a) “**Applicable Margin**” means (a) with respect to any ABR Advance, 1.40% and (b) with respect to any Euro-Dollar Advance, 2.40%.

(b) ABR Advances shall bear interest on the outstanding principal amount thereof, for each day from the date such Advance is made until it becomes due, at a rate per annum equal to the product of (i) the ABR as of the first day of the month in which such Advance is made plus the Applicable Margin multiplied by (ii) the outstanding amount of ABR Advances on such day. Such interest shall be payable on each applicable Interest Payment Date while such ABR Advance is outstanding and on the date such ABR Advance is converted to a Euro-Dollar Advance or repaid.

(c) Euro-Dollar Advances shall bear interest on the outstanding principal amount thereof, for each day from the date such Advance is made until it becomes due, at a rate per annum equal to the product of (i) (1) the Applicable Margin, plus (2) ~~the applicable LIBO Rate~~ Adjusted Term SOFR for such Interest Period multiplied by (ii) the outstanding amount of Euro-Dollar Advances on such day. Such interest shall be payable on each applicable Interest Payment Date while such Euro-Dollar Advance is outstanding and on the date such Euro-Dollar Advance is converted to an ABR Advance or repaid.

~~The “LIBO Rate” means, with respect to any Interest Period, the rate per annum at which Eurodollar deposits in the London interbank market for one month are quoted on Reuters LIBOR 01 screen, two (2) Business Days prior to the first day of such Interest Period; provided that, if the LIBO Rate shall be less than zero, such rate shall be deemed zero for purposes of the Revolver Advances.~~

(d) The Administrative Agent shall determine each interest rate applicable to the Advances hereunder in accordance with the terms of this Agreement. The Administrative Agent shall give prompt notice to the Borrower and the Lenders by facsimile of each rate of interest so determined, and its determination thereof shall be conclusive in the absence of manifest error.

(e) After the occurrence and during the continuance of an Event of Default (other than an Event of Default under Sections 6.01(g) or (h)), the principal amount of the Advances (and, to the extent permitted by applicable law, all accrued interest thereon) may, at the election of the Required Lenders, bear interest at the Default Rate; provided, however, that automatically whether or not the Required Lenders elect to do so, (i) any overdue principal of and, to the extent permitted by law, overdue interest on the Advances shall bear interest payable on demand, for each day until paid at a rate per annum equal to the Default Rate, and (ii) after the occurrence and during the continuance of an Event of Default described in Section 6.01(g) or 6.01(h), the principal amount of the Advances (and, to the extent permitted by applicable law, all accrued interest thereon) shall bear interest payable on demand for each day until paid at a rate per annum equal to the Default Rate.

SECTION 1.07. Fees.

(a) The Borrower shall pay to the Administrative Agent for the ratable account of each Lender an unused commitment fee (“**Unused Commitment Fee**”) equal to the product of: the aggregate of the daily average amounts of such Lender’s Unused Commitment, times (i) a per annum percentage equal to 0.625%, if the Unused Commitment amounts to more than 50% of the Revolver Commitment or (ii) a per annum percentage equal to 0.300%, if the Unused Commitment is 50% or less of the Revolver Commitment. Such Unused Commitment Fee shall accrue from the Restatement Date to but excluding the Termination Date. Unused Commitment Fees shall be determined quarterly in arrears and shall be payable on each Quarterly Payment Date and on the Termination Date; provided that should the Revolver Commitments be terminated at any time prior to the Termination Date for any reason, the entire accrued Unused Commitment Fee shall be paid on the date of such termination. Any such Unused Commitment Fee following the Restatement Date until the first Quarterly Payment Date shall be prorated according to the number of days this

Agreement was in effect during such Fiscal Quarter. For purposes of calculating the Unused Commitment Fee, Swing Advances shall not be considered usage of the Revolver Commitment.

(b) The Borrower shall pay (i) to the Administrative Agent, for the account and sole benefit of the Administrative Agent, any administrative fees owed to Administrative Agent under any agreement between the Borrower and the Administrative Agent, (ii) to the Administrative Agent, for the account and sole benefit of the Administrative Agent, a monthly fee in the amount of \$3,500 which shall be payable on the last Business Day of each month and (iii) to the Administrative Agent, for the account of the Lenders, such fees and other amounts at such times as set forth in the fee letter by and between the Administrative Agent and the Borrower.

SECTION 1.08. Optional Termination or Reduction of Commitments. The Borrower may, subject to any applicable prepayments pursuant to Section 2.11, upon at least 3 Business Day's notice to the Administrative Agent, terminate at any time, or proportionately reduce from time to time by an aggregate amount of at least \$5,000,000 or any larger multiple of \$1,000,000, the Revolver Commitments; provided, however: (1) each termination or reduction, as the case may be, shall be permanent and irrevocable (except that a notice of termination of the Revolver Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or events, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied); (2) after giving effect to any concurrent prepayments, no such termination or reduction shall be in an amount greater than the Total Unused Revolver Commitments on the date of such termination or reduction; (3) no such reduction pursuant to this Section 2.08 shall result in the aggregate Revolver Commitments of all of the Lenders being reduced to an amount less than \$10,000,000, unless the Revolver Commitments are terminated in their entirety, in which case all accrued fees (as provided under Section 2.07) shall be payable on the effective date of such termination; and (4) (unless the Borrower shall have prepaid all Advances, and terminated in full all Revolver Commitments and Swing Advance commitments, within 30 days after the Administrative Agent has disapproved any entity described in clause (ii) of the definition of "Loan Fund Joint Venture") the Borrower shall pay to the Administrative Agent, for distribution ratably to the Lenders, a commitment reduction fee equal to (a) 1.0% of the amount of such permanent reduction to the Revolver Commitment, if such reduction occurs on or prior to the first anniversary of the Sixth Amendment Effective Date and (b) 0.25% of the amount of such reduction, if such reduction occurs after the first anniversary of the Sixth Amendment Effective Date and ninety (90) days prior to the third anniversary of the Sixth Amendment Effective Date. Each reduction shall be made ratably among the Lenders in accordance with their respective Revolver Commitments.

SECTION 1.09. Termination of Commitments. The Revolver Commitments shall terminate on the Termination Date. Any Advances then outstanding shall be due and payable in accordance with Section 2.11(f) hereof and any unpaid Advances, together with interest thereon, shall be due and payable on the Final Maturity Date.

SECTION 1.10. Optional Prepayments.

(a) The Borrower may prepay any ABR Borrowing, in whole at any time, or from time to time in part, in each case without premium or penalty (except for payments under Section 8.05, if any), in amounts aggregating at least \$1,000,000 or any larger integral multiple of \$100,000 (or any lesser amount equal to the outstanding balance of such Advance), by paying the principal amount to be prepaid, (i) upon at least one (1) Business Day's notice to the Administrative Agent any Borrowing that is an ABR Borrowing; provided, that, so long as the proceeds of such prepayment are received by Administrative Agent prior to 12:00 P.M. (Eastern Time) (or such later time as agreed to in writing by Administrative Agent), prior written notice may be given the same day as such prepayment, or (ii) without any notice, any Swing Borrowing. Each such optional prepayment shall be applied (i) first to any Swing Advances outstanding, and (ii) then applied to prepay ratably to the Revolver Advances of the several Lenders outstanding on the date of payment or prepayment in the following order or priority: (a) first, to ABR Advances, and (b) second, to Euro-Dollar Advances.

(b) Subject to any payments required pursuant to the terms of **Article VIII** for such Euro-Dollar Borrowing, the Borrower may, upon at least one (1) Business Day's prior written notice, prepay in minimum amounts of \$1,000,000 with additional increments of \$100,000 (or any lesser amount equal to the outstanding balance of such Advances) all or any portion of the principal amount of any Euro-Dollar Borrowing prior to the maturity thereof, without premium or penalty (except for payments under **Section 8.05**, if any), by paying the principal amount to be prepaid together with such payments required pursuant to the terms of **Article VIII**; provided, that, so long as the proceeds of such prepayment are received by Administrative Agent prior to 12:00 P.M. (Eastern Time) (or such later time as agreed to in writing by Administrative Agent), prior written notice may be given the same day as such prepayment. Each such optional prepayment shall be applied to prepay ratably the Euro-Dollar Advances of the several Lenders included in such Euro-Dollar Borrowing.

(c) Upon receipt of a notice of prepayment pursuant to this **Section 2.10**, the Administrative Agent shall promptly notify each Lender of the contents thereof and of such Lender's ratable share of such prepayment and such notice, once received by the Administrative Agent, shall not thereafter be revocable by the Borrower.

SECTION 1.11. Mandatory Prepayments.

(a) On each date on which the Revolver Commitments are reduced or terminated pursuant to **Section 2.08** or **Section 2.09**, the Borrower shall repay or prepay such principal amount of the outstanding Revolver Advances, if any (together with interest accrued thereon and any amount due under **Section 8.05**), as may be necessary so that after such payment the aggregate unpaid principal amount of the Revolver Advances does not exceed the aggregate amount of the Revolver Commitments as then reduced. Each such payment or prepayment shall be applied (i) first to any Swing Advances outstanding, and (ii) then applied to prepay ratably to the Revolver Advances of the several Lenders outstanding on the date of payment or prepayment in the following order or priority: (a) first, to ABR Advances, and (b) second, to Euro-Dollar Advances.

(b) In the event that the aggregate principal amount of all Advances at any one time outstanding shall at any time exceed the aggregate amount of the Revolver Commitments of all of the Lenders at such time, the Borrower shall immediately repay so much of the Advances as is necessary in order that the aggregate principal amount of the Advances thereafter outstanding, shall not exceed the aggregate amount of the Revolver Commitments of all of the Lenders at such time. Each such payment or prepayment shall be applied (i) first to any Swing Advances outstanding, and (ii) then applied to prepay ratably to the Revolver Advances of the several Lenders outstanding on the date of payment or prepayment in the following order or priority: (a) first, to ABR Advances, and (b) second, to Euro-Dollar Advances.

(c) In the event that the Covered Debt Amount shall at any time exceed the Borrowing Base, the Borrower shall, within five Business Days after delivery of the applicable Borrowing Base Certification Report, either (i) repay so much of the Advances or other Debt as is necessary in order that the Covered Debt Amount shall not exceed the Borrowing Base or (ii) present the Administrative Agent with a reasonably feasible plan, satisfactory to Administrative Agent in its reasonable discretion, to enable such deficiency to be cured within 30 days (which 30 day period shall (i) include the five Business Days permitted for delivery of such plan and (ii) be subject to extension for any extended period consented to by the Administrative Agent in its sole discretion), then such repayment shall not be required to be effected immediately but may be effected in accordance with such plan (with such modifications as the Borrower may reasonably determine, satisfactory to Administrative Agent in its reasonable discretion), so long as such deficiency is cured within such 30 day period (or any extended period consented to by the Administrative Agent in its sole discretion).

(d) If at any time the Borrower is not in compliance with the Minimum Liquidity Requirement, the Borrower shall immediately repay so much of the Revolver Advances as is necessary in order that, after giving effect to such repayment, the Minimum Liquidity Requirement

is satisfied. Each such payment or prepayment shall be applied ratably to the Revolver Advances of the several Lenders outstanding on the date of payment or prepayment in the following order or priority: (i) first, to ABR Advances, and (ii) lastly to Euro-Dollar Advances.

(e) If at any time (i) the Administrative Agent on behalf of the Secured Parties does not own or have a valid and perfected first priority security interest in any Eligible Investment or (ii) any representation or warranty with respect to any Eligible Investment included in the Borrowing Base is not true and correct in all material respects, then upon the earlier of the Borrower's receipt of notice from the Administrative Agent or the Borrower becoming aware thereof, the Borrower, in its sole discretion, shall elect to either (x) repay the Advances outstanding (together with any amounts owing under **Article VIII** relating to such repayment) to the extent required by **Section 2.11(c)** after giving effect to the exclusion of such ineligible Portfolio Investments from the Borrowing Base, or (y) substitute one or more Eligible Investments for such ineligible Portfolio Investments to the extent required by **Section 2.11(c)**; provided that no such substitution shall be permitted unless (1) such substitute Portfolio Investment is an Eligible Investment on the date of substitution, (2) after giving effect to the inclusion of the substitute Eligible Investments, no repayment of any Advances outstanding shall be required under **Section 2.11(c)** (after giving effect to the exclusion of such ineligible Portfolio Investments from the Borrowing Base), (3) all actions or additional actions (if any) necessary to perfect the security interest of the Administrative Agent in such substitute Portfolio Investments and related Collateral to the extent required pursuant to the Collateral Documents shall have been taken as of or prior to the date of substitution and (4) the Borrower shall deliver to the Administrative Agent on the date of such substitution (A) a certificate of a Responsible Officer certifying that each of the foregoing is true and correct as of such date and (B) a Borrowing Base Certification Report (including a calculation of the Borrowing Base after giving effect to such substitution).

(f) At any time after the Termination Date and prior to the Final Maturity Date:

(i) In the event that there is any sale or other disposition of Collateral, which results in the receipt by Borrower of Net Cash Proceeds in excess of \$2,000,000 in the aggregate for any single sale or other disposition or series of sales or other dispositions, Borrower shall prepay an aggregate principal amount of Advances equal to 100% of such Net Cash Proceeds; provided that Borrower shall not be required to prepay any Advances pursuant to this clause (i) until the aggregate amount of unpaid Net Cash Proceeds required to be paid under this clause (i) equals or exceeds \$2,000,000 (either for the first time or at any time since the last prepayment of Advances pursuant to this clause (i)) in which event Borrower shall prepay an aggregate principal amount of Advances equal to 100% of such unpaid Net Cash Proceeds on the first Business Day of the immediately succeeding month following the receipt of such Net Cash Proceeds.

(ii) In the event that there is any principal collection of, or principal repayment or principal prepayment from any proceeds of Collateral (in each case, other than from any Structured Subsidiary or Immaterial Subsidiary), and is not otherwise included in clauses (i) or (iii) of this Section 2.11(d), Borrower shall prepay an aggregate principal amount of Advances equal to 100% of such principal collection of, or principal repayment or principal prepayment (excluding amounts payable by Borrower pursuant to Section 8.05) on the first Business Day of the immediately succeeding month following the receipt of such Net Cash Proceeds.

(iii) In the event that there is any receipt by Borrower of any insurance or condemnation proceeds, which, when taken with all other receipts of insurance or condemnation proceeds received after the Termination Date, exceeds \$2,000,000 in the aggregate, and is not otherwise included in clauses (i) or (ii) of this Section 2.11(d), Borrower shall repay an aggregate principal amount of Advances equal to 100% of all Net Cash Proceeds received therefrom on the first Business Day of the immediately succeeding month following the receipt of such Net Cash Proceeds.

(iv) Each such payment under this clause (f) shall be applied (i) first, to any Swing Advances outstanding, and (ii) then applied to prepay ratably to the Revolver Advances of the several Lenders outstanding on the date of payment or prepayment in the following order or priority: (a) first, to ABR Advances, and (b) second, to Euro-Dollar Advances.

(v) Notwithstanding anything to the contrary in this clause (f), prepayments under this clause (f) shall (A) exclude the amounts necessary for Borrower to make all required dividends and distributions (which shall be no less than the amount estimated in good faith by Borrower under Section 5.12) to maintain its Tax status as a RIC under the Code and its election to be treated as a “business development company” under the Investment Company Act for so long as Borrower retains such status and to avoid payment by the Borrower of federal excise Taxes imposed by Section 4982 of the Code for so long as Borrower retains the status of a RIC under the Code, and (B) if the Revolver Advances to be prepaid are Euro-Dollar Advances, Borrower may defer such prepayment until the last day of the Interest Period applicable to such Advances, so long as Borrower deposits an amount equal to such Net Cash Proceeds, no later than the first Business Day of the immediately succeeding month following the receipt of such Net Cash Proceeds, into a segregated collateral account in the name and under the dominion and control of the Administrative Agent, pending application of such amount to the prepayment of the Advances on the last day of such Interest Period; provided, further, that the Administrative Agent may direct the application of such deposits as set forth in Section 2.11(f)(iv) at any time and if the Administrative Agent does so, no amounts will be payable by Borrower pursuant to Section 8.05.

(g) Any repayment or prepayment made pursuant to this Section shall not affect the Borrowers’ obligation to continue to make payments under any Hedging Agreement, which shall remain in full force and effect notwithstanding such repayment or prepayment, subject to the terms of such Hedging Agreement.

(h) Any repayment or prepayment made pursuant to this Section shall be in cash without any prepayment premium or penalty (but including all breakage or similar costs) on the customary terms of the Administrative Agent.

SECTION 1.12. General Provisions as to Payments.

(a) Except as provided in Section 2.12(e), the Borrower shall make each payment of principal of, and interest on, the Advances and of fees hereunder without any set off, counterclaim or any deduction whatsoever, not later than 12:00 P.M. (Eastern time) on the date when due, in Federal or other funds immediately available in Houston, Texas, to the Administrative Agent at its address referred to in Section 9.01. The Administrative Agent will promptly distribute to each Lender its ratable share of each such payment received by the Administrative Agent for the account of the Lenders.

(b) Whenever any payment of principal of, or interest on, the ABR Advances or of fees shall be due on a day which is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day. Whenever any payment of principal of or interest on, the Euro-Dollar Advances shall be due on a day which is not a ~~Euro-Dollar~~ U.S. Government Securities Business Day, the date for payment thereof shall be extended to the next succeeding ~~Euro-Dollar~~ U.S. Government Securities Business Day unless such ~~Euro-Dollar~~ U.S. Government Securities Business Day falls in another calendar month, in which case the date for payment thereof shall be the next preceding ~~Euro-Dollar~~ U.S. Government Securities Business Day. If the date for any payment of principal is extended by operation of law or otherwise, interest thereon shall be payable for such extended time.

(c) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender’s

share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with **Section 2.02** and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation and (ii) in the case of a payment to be made by the Borrower, the interest rate applicable to ABR Advances. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Advance included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(d) **Payments by Borrower; Presumptions by Administrative Agent.** Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(e) **Taxes.**

(i) **Defined Terms.** For purposes of this **Section 2.12(e)**, the term "Applicable Law" includes FATCA.

(ii) **Payments Free of Taxes.** Any and all payments by or on account of any obligation of the Borrower hereunder or under any other Loan Document shall be made free and clear of and without reduction or withholding for any Taxes, except as required by any Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this **Section 2.12(e)(ii)**) the Administrative Agent or Lender, as the case may be, receives an amount equal to the sum it would have received had no such deductions been made.

(iii) **Payment of Other Taxes by the Borrower.** Without limiting the provisions of paragraph (ii) above, the Borrower shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(iv) **Indemnification by the Borrower.** The Borrower shall indemnify the Administrative Agent and each Lender, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this **Section 2.12(e)(iv)**) payable or paid by the Administrative Agent or such Lender, as the case may be, or

required to be withheld or deducted from a payment to such recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate setting forth in reasonable detail the amount of, calculation of and circumstances giving rise to such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(v) Evidence of Payments. As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section 2.12(e), the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(vi) Status of Lenders. Any Lender that is entitled to an exemption from or reduction of withholding tax with respect to payments hereunder or under any other Loan Document shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in this Section 2.12(e) (vi)(A), (B) and (C) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

Without limiting the generality of the foregoing:

(A) each Lender that is a United States person (as such term is defined in Section 7701(a)(30)) of the Code) shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), duly completed and executed copies of Internal Revenue Service Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding Tax;

(B) any Foreign Lender shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent, but only if such Foreign Lender is entitled under Applicable Law to do so), whichever of the following is applicable: (i) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party, duly completed and executed copies of Internal Revenue Service Form W-8BEN-E claiming an exemption from U.S. federal withholding Tax with respect to U.S. source payments to be received by such Foreign Lender under any Loan Document, (ii) duly completed and executed copies of Internal Revenue Service Form W-8ECI, (iii) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit M-1 hereto to the effect that such Foreign Lender is not (1) a "bank" within the meaning of section 881(c)(3)(A) of the Code, (2) a "10 percent shareholder" of the Borrower within the meaning of section 881(c)(3)(B) of the

Code, or (3) a “controlled foreign corporation” described in section 881(c)(3)(C) of the Code and (y) duly completed and executed copies of Internal Revenue Service Form W-8BEN-E, and (iv) to the extent a Foreign Lender is not the beneficial owner, duly completed and executed copies of Internal Revenue Service Form W-8IMY, accompanied by duly completed and executed copies of Internal Revenue Service Form W-8ECI, Internal Revenue Service Form W-8BEN-E, a certificate substantially in the form of **Exhibit M-2** or **Exhibit M-3** hereto, Internal Revenue Service Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a certificate substantially in the form of **Exhibit M-4** hereto on behalf of each such direct and indirect partner;

(C) if a payment made to a Lender under any Loan Document would be subject to United States federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent, at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the Borrower or the Administrative Agent, such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA, to determine that such Lender has or has not complied with such Lender’s obligations under FATCA and, as necessary, to determine the amount to deduct and withhold from such payment. Solely for purposes of this **Section 2.12(e)(vi)(C)**, “**FATCA**” shall include any amendments to FATCA made after the Closing Date, and

(D) any Foreign Lender shall, to the extent it is entitled by Applicable Law to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), duly completed and executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in United States Federal withholding tax duly completed together with such supplementary documentation as may be prescribed by Applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(vii) Treatment of Certain Refunds. If the Administrative Agent or a Lender determines, in its reasonable discretion, that it has received a refund of any Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section, it shall promptly pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section with respect to the Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses of the Administrative Agent or such Lender (including Taxes), as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Borrower, upon the request of the Administrative

Agent or such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. This paragraph shall not be construed to require the Administrative Agent or any Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Borrower or any other Person.

(viii) Survival. Each party's obligations under this Section 2.12(e) shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the commitments hereunder and the repayment, satisfaction or discharge of all obligations under any Loan Document.

SECTION 1.13. Computation of Interest and Fees. Interest on the Advances shall be computed on the basis of a year of 360 days or 365/366 days, in the case of ABR Loans, in which case the interest rate payable is based on the Prime Rate and paid for the actual number of days elapsed (including the first day but excluding the last day). Utilization fees, Unused Commitment Fees and any other fees payable hereunder shall be computed on the basis of a year of 360 days and paid for the actual number of days elapsed (including the first day but excluding the last day).

SECTION 1.14. Increase in Commitments.

(a) The Borrower shall have the right, at any time prior to the date that is thirty (30) days prior to the Termination Date by written notice to and in consultation with the Administrative Agent, to request an increase in the aggregate Revolver Commitments (each such requested increase, a "**Commitment Increase**"), by having one or more existing Lenders increase their respective Revolver Commitments then in effect (each, an "**Increasing Lender**"), by adding as a Lender with a new Revolver Commitment hereunder one or more Persons that are not already Lenders (each, an "**Additional Lender**"), or a combination thereof, provided that (i) any such request for a Commitment Increase shall be in a minimum amount of \$5,000,000 (or such lesser amount as the Administrative Agent may reasonably agree), (ii) immediately after giving effect to any Commitment Increase, the aggregate Revolver Commitments shall not exceed \$200,000,000, and (iii) no Default or Event of Default shall have occurred and be continuing on the applicable Commitment Increase Date (as hereinafter defined) or shall result from any Commitment Increase. No consent of any Lender to such Commitment Increase shall be required and no Lender shall be obligated to participate as a Lender in such Commitment Increase. The Borrower shall give the existing Lenders the right of first refusal for participating in any such Commitment Increase by providing such notice to the Administrative Agent ten (10) Business Days before executing a commitment with any Person that is not already a Lender. Section 5.07 will be adjusted by mutual consent of the Borrower and the Majority Lenders. An existing Lender shall have priority over Additional Lenders to participate in such requested Commitment Increase if such existing Lender provides written notice of its election to participate within ten (10) Business Days of such existing Lender's receipt of such notice. Such notice from the Borrower shall specify the requested amount of the Commitment Increase. No Lender shall have any obligation to become an Increasing Lender and any decision by a Lender to increase its Commitment shall be made in its sole discretion independently from any other Lender. Other than fees payable to the Administrative Agent, any fees paid by the Borrower for a Commitment Increase to an Increasing Lender, an Additional Lender, and the Administrative Agent, shall be for their own account and shall be in an amount, if any, mutually agreed upon by each such party and the Borrower, in each party's sole discretion.

(b) Each Additional Lender must qualify as an Eligible Assignee (the selection of which shall include the prior approval, not to be unreasonably withheld, conditioned or delayed, of the Administrative Agent). The Borrower and each Additional Lender shall execute a joinder agreement, and the Borrower and each Lender shall execute all such other documentation as the Administrative Agent and the Borrowers may reasonably require, all in form and substance reasonably satisfactory to the Administrative Agent and the Borrower, to evidence the Revolver Commitment adjustments referred to in Section 2.14(e); provided that the failure of any Lender that

is not an Additional Lender or an Increasing Lender to execute any such documentation shall not impair the ability of the Additional Lenders, the Increasing Lenders and the Borrower to effect a Commitment Increase pursuant to this **Section 2.14**.

(c) If the aggregate Revolver Commitments are increased in accordance with this **Section 2.14**, the Borrower (in consultation with the Administrative Agent), Increasing Lender(s) (if any) and Additional Lender(s) (if any) shall agree upon the effective date (the "**Commitment Increase Date**," which shall be a Business Day not less than thirty (30) days prior to the Termination Date). The Administrative Agent shall promptly notify the Lenders of such increase and the Commitment Increase Date.

(d) Notwithstanding anything set forth in this **Section 2.14** to the contrary, the Borrower shall not incur any Revolver Advances pursuant to any Commitment Increase (and no Commitment Increase shall be effective) unless the conditions set forth in **Section 2.14(a)(i)** through **(iii)** as well as the following conditions precedent are satisfied on the applicable Commitment Increase Date:

(i) The Administrative Agent shall have received the following, each dated the Commitment Increase Date and in form and substance reasonably satisfactory to the Administrative Agent:

(A) a supplement to this Agreement signed by the Administrative Agent and each other Lender committing to the Commitment Increase, setting forth the reallocation of Commitments referred to in **Section 2.14(e)**, all other documentation required by the Administrative Agent pursuant to **Section 2.14(b)** and such other modifications, documents or items as the Administrative Agent, the Lenders or their counsel may reasonably request;

(B) an instrument, duly executed by the Borrower and each Guarantor acknowledging and reaffirming its obligations under this Agreement, the Collateral Documents, and the other Loan Documents to which it is a party;

(C) a certificate of the secretary or an assistant secretary of the Borrower and each Guarantor, certifying to and attaching the resolutions adopted by the board of directors (or similar governing body) of such party approving or consenting to such Commitment Increase;

(D) a certificate of the chief financial officer or another Responsible Officer of the Borrower, certifying that (x) as of the Commitment Increase Date, all representations and warranties of the Borrower and the Guarantors contained in this Agreement and the other Loan Documents are true and correct in all material respects (except to the extent any such representation or warranty is expressly stated to have been made as of a specific date, in which case such representation or warranty is true and correct in all material respects as of such date), and (y) no Default or Event of Default has occurred and is continuing, both immediately before and after giving effect to such Commitment Increase (including any Borrowings in connection therewith and the application of the proceeds thereof); and

(E) such other documents or items that the Administrative Agent, the Lenders or their counsel may reasonably request.

(ii) In the case of any Borrowing of Revolver Advances in connection with such Commitment Increase for the purpose of funding an Acquisition, the applicable conditions set forth in this Agreement with respect to Acquisitions shall have been satisfied.

(e) On the Commitment Increase Date, (i) the aggregate principal outstanding amount of the Revolver Advances (the “**Initial Advances**”) immediately prior to giving effect to the Commitment Increase shall be deemed to be repaid, (ii) immediately after the effectiveness of the Commitment Increase, the Borrower shall be deemed to have made new Borrowings of Revolver Advances (the “**Subsequent Borrowings**”) in an aggregate principal amount equal to the aggregate principal amount of the Initial Advances and of the types and for the Interest Period specified in a Notice of Borrowing delivered to the Administrative Agent in accordance with **Section 2.01**, (iii) each Lender shall pay to the Administrative Agent in immediately available funds an amount equal to the difference, if positive, between (y) such Lender’s pro rata percentage (calculated after giving effect to the Commitment Increase) of the Subsequent Borrowings and (z) such Lender’s pro rata percentage (calculated without giving effect to the Commitment Increase) of the Initial Advances, (iv) after the Administrative Agent receives the funds specified in clause (iii) above, the Administrative Agent shall pay to each Lender the portion of such funds equal to the difference, if positive, between (y) such Lender’s pro rata percentage (calculated without giving effect to the Commitment Increase) of the Initial Advances and (z) such Lender’s pro rata percentage (calculated after giving effect to the Commitment Increase) of the amount of the Subsequent Borrowings, (v) the Lenders shall be deemed to hold the Subsequent Borrowings ratably in accordance with their respective Revolver Commitments (calculated after giving effect to the Commitment Increase), (vi) the Borrower shall pay all accrued but unpaid interest on the Initial Advances to the Lenders entitled thereto, and (vii) the signature pages hereto shall be deemed amended to reflect the Revolver Commitments of all Lenders after giving effect to the Commitment Increase. The deemed payments made pursuant to clause (i) above in respect of each Euro-Dollar Advance shall be subject to indemnification by the Borrower pursuant to the provisions of **Section 8.05** if the Commitment Increase Date occurs other than on the last day of the Interest Period relating thereto.

SECTION 1.15. **Extension Options.** At least 45 days prior to each of September 1, 2025 and September 1, 2026, 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 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 September 1, 2025 to provide that the definition of Termination Date would be extended to September 1, 2026. 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 September 1, 2026 to provide that the definition of Termination Date would be extended to September 1, 2027. Any extension pursuant to this **Section 2.15** 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 Default or Event of Default and (y) continued accuracy of the representations and warranties, in each case as of the date of such amendment in all material respects. The first extension request shall expire if not made on or prior to September 1, 2025 and shall not take effect prior to September 1, 2025. The second extension request shall expire if not made on or prior to September 1, 2026 and shall not take effect prior to September 1, 2026. In no event shall the Termination Date be later than September 1, 2027.

SECTION 1.01. **Lender Consent.** The Lenders hereby consent to the appointment of EverBank as successor Administrative Agent and the other matters set forth in the Assignment, Assumption and Amendment Agreement, dated as of the Restatement Date, between EverBank and Capital One, National Association, a copy of which has been provided to each Lender.

ARTICLE III
CONDITIONS TO BORROWINGS

SECTION 1.01. Conditions to Restatement and First Borrowing. The obligation of each Lender to make an Advance on or after the Restatement Date is subject to the satisfaction of the conditions set forth in Section 3.02 and the following additional conditions:

- (a) receipt by the Administrative Agent from each of the parties hereto of a duly executed counterpart of this Agreement signed by such party;
- (b) receipt by the Administrative Agent of a duly executed Revolver Note for the account of each Lender, complying with the provisions of Section 2.04;
- (c) receipt by the Administrative Agent of an opinion of counsel to the Loan Parties, dated as of the Restatement Date (or in the case of an opinion delivered pursuant to Section 5.28 hereof such later date as specified by the Administrative Agent) in a form satisfactory to Administrative Agent and covering such matters set forth in Exhibit E hereto and such additional matters relating to the transactions contemplated hereby as the Administrative Agent may reasonably request;
- (d) receipt by the Administrative Agent of a certificate (the “Closing Certificate”), dated the date of the first Borrowing after the Restatement Date, substantially in the form of Exhibit F hereto, signed by a chief financial officer or other authorized officer of each Loan Party, to the effect that, to his knowledge, (i) no Default has occurred and is continuing on the date of the first Borrowing and (ii) the representations and warranties of the Loan Parties contained in Article IV are true on and as of the date of the first Borrowing hereunder;
- (e) receipt by the Administrative Agent of all documents which the Administrative Agent or any Lender may reasonably request relating to the existence of each Loan Party, the authority for and the validity of this Agreement, the Notes and the other Loan Documents, and any other matters relevant hereto, all in form and substance satisfactory to the Administrative Agent, including without limitation a certificate of incumbency of each Loan Party (the “Officer’s Certificate”), signed by the Secretary, an Assistant Secretary, a member, manager, partner, trustee or other authorized representative of the respective Loan Party, substantially in the form of Exhibit G hereto, certifying as to the names, true signatures and incumbency of the officer or officers of the respective Loan Party, authorized to execute and deliver the Loan Documents, and certified copies of the following items: (i) the Loan Party’s Organizational Documents; (ii) the Loan Party’s Operating Documents; (iii) if applicable, a certificate of the Secretary of State of such Loan Party’s state of organization as to the good standing or existence of such Loan Party, and (iv) the Organizational Action, if any, taken by the board of directors of the Loan Party or the members, managers, trustees, partners or other applicable Persons authorizing the Loan Party’s execution, delivery and performance of this Agreement, the Notes and the other Loan Documents to which the Loan Party is a party;
- (f) completion of due diligence to the satisfaction of the Administrative Agent with respect to the Borrower and the Guarantors, including but not limited to review of the Investment Policies, risk management procedures, accounting policies, systems integrity, compliance, management and organizational structure and the loan and investment portfolio of the Borrower and the Guarantors;
- (g) the Security Agreement and the other Collateral Documents, each in form and content satisfactory to the Administrative Agent shall have been duly executed by the applicable Loan Parties and such documents shall have been delivered to the Administrative Agent and shall be in full force and effect and each document (including each UCC financing statement and amendments and continuations thereof required by law or reasonably requested by the Administrative Agent to be filed, registered or recorded in order to create in favor of the Administrative Agent for the benefit of the Secured Parties, upon filing, recording or possession by

the Administrative Agent, as the case may be, a valid, legal and perfected first-priority security interest in and lien on the Collateral described in the Collateral Documents, free of all liens or encumbrances (except Permitted Encumbrances), shall have been delivered to the Administrative Agent; Borrower shall also deliver or cause to be delivered the certificates (with undated stock powers executed in blank) for all shares of stock or other equity interests pledged to the Administrative Agent for the benefit of Lenders pursuant to the Pledge Agreement;

(h) the Administrative Agent shall have received the results of a search of the UCC filings (or equivalent filings) made with respect to the Borrower and the Loan Parties in the states (or other jurisdictions) in which the Loan Parties are organized, the chief executive office of each such Person is located, any offices of such persons in which records have been kept relating to Collateral described in the Collateral Documents and the other jurisdictions in which UCC filings (or equivalent filings) are to be made pursuant to the preceding paragraph, together with copies of the financing statements (or similar documents) disclosed by such search, and accompanied by evidence satisfactory to the Administrative Agent that the Liens other than Permitted Encumbrances indicated in any such financing statement (or similar document) have been released or subordinated to the satisfaction of Administrative Agent;

(i) receipt by the Administrative Agent of a Borrowing Base Certification Report, dated as of the date of the initial Notice of Borrowing and satisfactory in all respects to the Administrative Agent;

(j) the Borrower shall have paid all fees required to be paid by it on the Closing Date, including all fees required hereunder and any fees owed to the Administrative Agent, the Lead Arranger, and the Lenders, and shall have reimbursed the Administrative Agent for all fees, costs and expenses of closing the transactions contemplated hereunder and under the other Loan Documents, including the reasonable legal, audit and other document preparation costs incurred by the Administrative Agent;

(k) such other documents or items as the Administrative Agent, the Lenders or their counsel may reasonably request;

(l) the Administrative Agent shall have received and reviewed (i) satisfactory audited consolidated financial statements of the Borrower for the two most recent fiscal years ended prior to the Restatement Date as to which such financial statements are available, (ii) satisfactory unaudited quarterly financial statements of the Borrower as of the most recent quarter end and such other financial information as the Administrative Agent may reasonably request; and (iii) satisfactory financial statement projections through and including the Borrower's 2017 fiscal year, together with such information as the Administrative Agent and the Lenders shall reasonably require (including, without limitation, a detailed description of the assumptions used in preparing such projections);

(m) the Administrative Agent shall have received an Officer's Certificate to the effect that any credit facilities currently in effect for the Borrower (except to the extent being so repaid with the proceeds of the initial Loan on or after the Restatement Date) and any and all liens thereunder have been terminated and released; and

(n) the Administrative Agent shall have received evidence of insurance maintained by the Loan Parties, insuring against such risks and with such insurers as are acceptable to the Administrative Agent.

For purposes of determining compliance with the conditions specified in this **Section 3.01**, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

SECTION 1.02. Conditions to All Borrowings. The obligation of each Lender to make an Advance on the occasion of each Borrowing or Swing Borrowing is subject to the satisfaction of the following conditions:

- (a) receipt by the Administrative Agent of a Notice of Borrowing as required by Section 2.02, together with a Borrowing Base Certification Report dated as of the date of delivery and satisfactory in all respects to the Administrative Agent;
- (b) receipt by the Administrative Agent of such documentation as the Administrative Agent shall reasonably require confirming that the Borrower shall be in compliance with the Minimum Liquidity Requirement, if applicable;
- (c) the fact that, immediately before and after such Borrowing or Swing Borrowing, no Default shall have occurred and be continuing;
- (d) an Officer's Certificate to the effect that the representations and warranties of the Loan Parties contained in Article IV of this Agreement and the other representations and warranties contained in the Loan Documents shall be true, in all material respects, on and as of the date of such Borrowing or Swing Borrowing (except to the extent that any such representations and warranties speak as to a specific date, in which case such representations and warranties shall be true in all material respects as of such date);
- (e) an Officer's Certificate to the effect that, immediately after such Borrowing or Swing Borrowing: (A) the aggregate outstanding principal amount of the Revolver Advances of each Lender will not exceed the amount of its Revolver Commitment and (B) the aggregate outstanding principal amount of the Revolver Advances will not exceed the aggregate amount of the Revolver Commitments of all of the Lenders as of such date;
- (f) with respect to each Pre-Positioned Investment that is funded with the proceeds of such Advance, the Administrative Agent and the Collateral Custodian shall have received a faxed or .PDF copy of the executed note, if any, evidencing such Pre-Positioned Investment, and, if requested in writing by the Administrative Agent, the Administrative Agent shall have received a copy of the credit analysis, underwriting materials and any similar document previously prepared by the Borrower in connection with its investment decision in such Pre-Positioned Investment; and
- (g) an Officer's Certificate to the effect that, immediately after such Borrowing or Swing Borrowing the Covered Debt Amount will not exceed the Borrowing Base.

Each Borrowing or Swing Borrowing and each Notice of Continuation or Conversion hereunder shall be deemed to be a representation and warranty by the Loan Parties on the date of such Borrowing or Swing Borrowing as to the truth and accuracy of the facts specified in clauses (c), (d) and (e) of this Section.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

The Borrower and Guarantors represent and warrant that:

SECTION 1.01. Existence and Power. As of the Restatement Date, the Borrower is a corporation, and each Guarantor, if any, is a corporation, limited liability company or other legal entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, as the case may be, is, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, duly qualified to transact business in every jurisdiction where, by the nature of its business, such qualification is necessary, and has, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, all organizational powers and all

governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted.

SECTION 1.02. Organizational and Governmental Authorization; No Contravention. The execution, delivery and performance by each Loan Party of this Agreement, the Notes, the Collateral Documents and the other Loan Documents to which such Loan Party is a party (i) are within such Loan Party's organizational powers, (ii) have been duly authorized by all necessary Organizational Action, (iii) require no action by or in respect of, or filing with, any Governmental Authority that has not been obtained or made when required, (iv) do not contravene, or constitute a default under, any provision of applicable law or regulation or of the Organizational Documents and Operating Documents of such Loan Party or of any agreement, judgment, injunction, order, decree or other instrument binding upon such Loan Party or any of its Subsidiaries, and (v) do not result in the creation or imposition of any Lien on any asset of such Loan Party or any of its Subsidiaries (other than Liens in favor of the Administrative Agent for the benefit of the Secured Parties to secure the Obligations).

SECTION 1.03. Binding Effect. This Agreement constitutes a valid and binding agreement of the Loan Parties enforceable in accordance with its terms, and the Notes, the Collateral Documents and the other Loan Documents, when executed and delivered in accordance with this Agreement, will constitute valid and binding obligations of the Loan Parties party to such Loan Document enforceable in accordance with their respective terms, provided that the enforceability hereof and thereof is subject in each case to general principles of equity and to bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights generally.

SECTION 1.04. Financial Information.

(a) The audited consolidated balance sheet of the Borrower as of December 31, 2020 and the related consolidated statements of income, shareholders' equity and cash flows for the Fiscal Year then ended, reported on by Grant Thornton LLP, copies of which have been delivered to the Administrative Agent for delivery to each of the Lenders, and the unaudited consolidated financial statements of the Borrower for the interim periods ended March 31, 2021 and June 30, 2021, copies of which have been delivered to each of the Lenders, fairly present, in conformity with GAAP, the consolidated financial position of the Borrower and its Consolidated Subsidiaries as of such dates and their consolidated results of operations and cash flows for such periods stated.

(b) Since December 31, 2020 there has been no event, act, condition or occurrence having a Material Adverse Effect.

SECTION 1.05. Litigation. There is no action, suit or proceeding pending, or to the knowledge of the Loan Parties threatened in writing, against or affecting the Loan Parties or any of their respective Subsidiaries before any court or arbitrator or any Governmental Authority which in any manner draws into question the validity or enforceability of, or could impair the ability of the Loan Parties, taken as a whole, to perform their obligations under, this Agreement, the Notes, the Collateral Documents or any of the other Loan Documents.

SECTION 1.06. Compliance with ERISA.

(a) The Loan Parties and each member of the Controlled Group have fulfilled their obligations under the minimum funding standards of ERISA and the Code with respect to each Plan and are in compliance with the applicable provisions of ERISA and the Code, and have not incurred any liability to the PBGC or a Plan under Title IV of ERISA.

(b) Neither the Loan Parties nor any member of the Controlled Group is or ever has been obligated to contribute to any Multiemployer Plan.

(c) The assets of the Loan Parties or any Subsidiary of any Loan Party do not and will not constitute "plan assets," within the meaning of ERISA, the Code and the respective

regulations promulgated thereunder. The execution, delivery and performance of this Agreement, and the borrowing and repayment of amounts hereunder, do not and will not constitute “prohibited transactions” under ERISA or the Code.

SECTION 1.07. Payment of Taxes. There have been filed on behalf of the Loan Parties and their respective Subsidiaries all material Federal, state and local income, excise, property and other tax returns which are required to be filed by them and all taxes due pursuant to such returns or pursuant to any assessment received by or on behalf of the Loan Parties or any Subsidiary have been paid other than those being contested in good faith and by appropriate proceedings diligently conducted and with respect to which such Person has established adequate reserves in accordance with GAAP. The charges, accruals and reserves on the books of the Loan Parties and their respective Subsidiaries in respect of taxes or other governmental charges are, in the opinion of the Loan Parties, adequate. No Loan Party has been given or been requested to give a waiver of the statute of limitation relating to the payment of Federal, state, local or foreign taxes.

SECTION 1.08. Subsidiaries. Each of the Subsidiaries (other than any Foreclosed Subsidiary) of each Loan Party (i) is a corporation, a limited liability company or other legal entity, duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, as the case may be, (ii) is, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, duly qualified to transact business in every jurisdiction where, by the nature of its business, such qualification is necessary, and (iii) has, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, all organizational powers and all governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted. No Loan Party has any Subsidiaries except those Subsidiaries listed on Schedule 4.08 and as set forth in any Compliance Certificate provided to the Administrative Agent and Lenders pursuant to Section 5.01(c) after the Sixth Amendment Effective Date, which accurately sets forth each such Subsidiary’s complete name and jurisdiction of organization, and if applicable, the designation of such Subsidiary as a Structured Subsidiary or Immaterial Subsidiary.

SECTION 1.09. Investment Company Act, Etc. The Borrower is qualified as a RIC and as an “investment company” that has elected to be regulated as a “business development company” as defined in Section 2(a)(48) of the Investment Company Act and is subject to regulation as such under the Investment Company Act including Section 18, as modified by Section 61, of the Investment Company Act. 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 Loan Documents to which the Borrower is a party do not result in any violations, with respect to the Borrower, of the provisions of the Investment Company Act or any rules, regulations or orders issued by the Securities and Exchange Commission thereunder, in each case, that are applicable to the Borrower.

SECTION 1.10. All Consents Required. All 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 Loan Parties of this Agreement and any Loan Document to which any Loan Party is a party, have been obtained.

SECTION 1.11. Ownership of Property; Liens. Each of the Loan Parties and their respective Subsidiaries has title or the contractual right to possess its properties sufficient for the conduct of its business, except for minor defects in title that do not interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes and Permitted Encumbrances.

SECTION 1.12. No Default. No Loan Party or any of their respective Subsidiaries is in default in any material respect under or with respect to any material agreement, instrument or undertaking to which it is a party or by which it or any of its property is bound. No Default or Event of Default has occurred and is continuing.

SECTION 1.13. [Reserved].

SECTION 1.14. Environmental Matters.

(a) No Loan Party or any Subsidiary of a Loan Party is subject to any Environmental Liability which would reasonably be expected to have a Material Adverse Effect and no Loan Party or any Subsidiary of a Loan Party has been designated as a potentially responsible party under CERCLA. None of the Properties has been identified on any current or proposed (i) National Priorities List under 40 C.F.R. § 300, (ii) SEMS Database list or (iii) any list arising from a state statute similar to CERCLA.

(b) No Hazardous Materials have been or are being used, produced, manufactured, processed, treated, recycled, generated, stored, disposed of, managed or otherwise handled at, or shipped or transported to or from the Properties or are otherwise present at, on, in or under the Properties, except for Hazardous Materials, such as cleaning solvents, office supplies, pesticides and other materials used, produced, manufactured, processed, treated, recycled, generated, stored, disposed of, and managed or otherwise handled in minimal amounts in the ordinary course of business of such Loan Party or Subsidiary of a Loan Party in compliance with all applicable Environmental Requirements, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(c) The Loan Parties, and each of their respective Subsidiaries, has procured all material Environmental Authorizations necessary for the conduct of the business contemplated on such Property, and is in compliance with all Environmental Requirements in connection with the operation of the Properties and the Loan Party's, and each of their respective Subsidiary's, respective businesses, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 1.15. Compliance with Laws. Each Loan Party and each Subsidiary of a Loan Party is in compliance with all applicable laws, including, without limitation, all Environmental Laws and all regulations and requirements of the Securities and Exchange Commission and the National Association of Securities Dealers, Inc. (including with respect to timely filing of reports), except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 1.16. Capital Securities. All Capital Securities, debentures, bonds, notes and all other securities of each Loan Party and their respective Subsidiaries presently issued and outstanding are, if applicable, validly and properly issued in accordance, in all material respects, with all applicable laws, including, but not limited to, the "Blue Sky" laws of all applicable states and the federal securities laws. The issued shares of Capital Securities of each of the Loan Party's respective Subsidiaries are owned by the Loan Parties free and clear of any Lien or adverse claim other than Permitted Encumbrances.

SECTION 1.17. Margin Stock. No Loan Party or any of their respective Subsidiaries is engaged principally, or as one of its important activities, in the business of purchasing or carrying any Margin Stock, and no part of the proceeds of any Advance will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock, or be used for any purpose which violates, or which is inconsistent with, the provisions of Regulation X of the Federal Reserve Board. Following the application of the proceeds from each Advance, not more than 25% of the value of the assets, either of the Borrower only or of the Borrower and its Subsidiaries on a consolidated basis, will be "Margin Stock."

SECTION 1.18. Insolvency. After giving effect to the execution and delivery of the Loan Documents and the making of the Advances under this Agreement, no Loan Party will be "insolvent," within the meaning of such term as defined in § 101 of Title 11 of the United States Code or Section 2 of either the Uniform Fraudulent Transfer Act or the Uniform Fraudulent Conveyance Act, or any other applicable state law pertaining to fraudulent transfers, as each may be amended from time to

time, or be unable to pay its debts generally as such debts become due, or have an unreasonably small capital to engage in any business or transaction, whether current or contemplated.

SECTION 1.19. Collateral Documents. Upon execution by the applicable Loan Parties, the Collateral Documents shall be effective to create in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, a legal, valid and enforceable security interest in the Collateral, securing the Obligations, and, upon (i) the filing of one or more UCC financing statements in the appropriate jurisdictions, (ii) delivery of the certificates evidencing shares of stock, membership interests and other equity interests and delivery of the original notes and other instruments representing debt or other obligations owing to the Loan Parties to the Collateral Custodian as bailee for the Administrative Agent and (iii) subject to Section 5.32, execution and delivery of deposit account control agreements (in form and substance acceptable to the Administrative Agent) with any depository bank (other than Capital One) at which any Loan Party maintains a deposit account, the Administrative Agent shall have or continue to have a fully perfected first priority Lien (subject to Permitted Encumbrances) on, and security interest in, all right, title and interest of the applicable Loan Parties, in such Collateral and the proceeds thereof that can be perfected upon filing of one or more UCC financing statements and execution and delivery of such equity interests, notes and other instruments and such control agreements, in each case prior and superior in any right to any other Person (other than Permitted Encumbrances).

SECTION 1.20. Labor Matters. There are no strikes, lockouts, slowdowns or other labor disputes against any Loan Party or any Subsidiary of any Loan Party pending or, to the knowledge of any Loan Party, threatened. The hours worked by and payment made to employees of the Loan Parties and each Subsidiary of any Loan Party have been in compliance with the Fair Labor Standards Act and any other applicable federal, state or foreign law dealing with such matters. All payments due from the Loan Parties or any of their respective Subsidiaries, or for which any claim may be made against the Loan Parties or any of their respective Subsidiaries, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of the Loan Party or such Subsidiary, as appropriate. No Loan Party or any Subsidiary of a Loan Party is party to a collective bargaining agreement.

SECTION 1.21. Patents, Trademarks, Etc. The Loan Parties and their respective Subsidiaries own, or are licensed to use, all patents, trademarks, trade names, copyrights, technology, know-how and processes, service marks and rights with respect to the foregoing that are material to the businesses, assets, operations, properties or condition (financial or otherwise) of the Loan Parties and their respective Subsidiaries taken as a whole. The use of such patents, trademarks, trade names, copyrights, technology, know-how, processes and rights with respect to the foregoing by the Loan Parties and their respective Subsidiaries, does not infringe on the rights of any Person, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 1.22. Insurance. The Loan Parties and each of their Subsidiaries (other than Immaterial Subsidiaries) has (either in the name of such Loan Party or in such Subsidiary's name), with financially sound and reputable insurance companies, insurance in at least such amounts and against at least such risks (including on all its Property) as are usually insured against by companies of established repute engaged in the same or similar business.

SECTION 1.23. Anti-Terrorism Laws. (a) None of the Loan Parties, or any of their respective Subsidiaries, is in violation of any laws relating to terrorism or money laundering, including, without limitation, the USA Patriot Act.

(b) (i) The Borrower and each other Loan Party have instituted, maintain and are complying with policies, procedures and controls reasonably designed to comply with all Anti-Money Laundering Laws;

(ii) No Loan Party will use any of the Advances in violation of any Anti-Money Laundering Laws;

(iii) No Loan Party will fund any repayment of any Advance in violation of any Anti-Money Laundering Laws; and

(iv) The Borrower and each other Loan Party is not and has not been under administrative, civil or criminal investigation or received notice from or made a voluntary disclosure to any governmental entity regarding a possible violation of any Anti-Money Laundering Laws.

SECTION 1.24. Ownership Structure. As of the Sixth Amendment Effective Date, **Schedule 4.24** is a complete and correct list of all Subsidiaries of the Borrower and of each Loan Party setting forth for each such Subsidiary, (i) the jurisdiction of organization of such Subsidiary, (ii) each Person holding any Capital Securities in such Subsidiary, (iii) the nature of the Capital Securities held by each such Person, and (iv) the percentage of ownership of such Subsidiary represented by such Capital Securities. Except as disclosed in such Schedule, as of the Sixth Amendment Effective Date (i) the Borrower and its Subsidiaries owns, free and clear of all Liens and has the unencumbered right to vote, all outstanding Capital Securities in each Person shown to be held by it on such Schedule, (ii) all of the issued and outstanding Capital Securities of each Person is, if applicable, validly issued, fully paid and nonassessable and (iii) there are no outstanding subscriptions, options, warrants, commitments, preemptive rights or agreements of any kind (including, without limitation, any stockholders' or voting trust agreements) for the issuance, sale, registration or voting of, or outstanding securities convertible into, any additional Capital Securities of any type in, any such Person.

SECTION 1.25. Reports Accurate; Disclosure. Neither this Agreement, nor any Loan Document, nor any other written agreement, document, certificate or statement (other than projected financial information, other forward looking information and information of a general economic or general industry nature or information relating to third parties that, for the avoidance of doubt, are not Affiliates) furnished by or on behalf of Borrower to the Administrative Agent or the Lenders in connection with the transactions contemplated hereby (as modified or supplemented by other information so furnished) when taken together with the Borrower's public filings and as a whole (and after giving effect to all updates, modifications and supplements) contains any material misstatement of fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made; provided that with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time of the preparation thereof (it being understood that projections are subject to significant and inherent uncertainties and contingencies which may be outside of the Borrower's control and that no assurance can be given that projections will be realized, and are therefore not to be viewed as fact, and that actual results for the periods covered by projections may differ from the projected results set forth in such projections and that such differences may be material). As of the Sixth Amendment Effective Date, the Borrower has disclosed in its public filings or to the Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries is subject, that, if terminated prior to its term, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

SECTION 1.26. Location of Offices; Names. The state of organization of Borrower (within the meaning of Article 9 of the UCC) is Maryland. Neither the Borrower nor any Guarantor has changed its name, identity, structure, existence or state of formation, whether by amendment of its Organizational Documents, by reorganization or otherwise, or has changed its state of organization (within the meaning of Article 9 of the UCC) within four (4) months preceding the Restatement Date.

SECTION 1.27. Affiliate Transactions. Except as disclosed on Schedule 4.27 or otherwise permitted by **Section 5.27**, neither the Borrower nor any Subsidiary (other than any Structured Subsidiary) nor any other Loan Party is a party to or bound by any agreement or arrangement (whether oral or written) to which any Affiliate of the Borrower, any Subsidiary or any other Loan Party is a party.

SECTION 1.28. Broker's Fees. Except as otherwise agreed with the Administrative Agent, no broker's or finder's fee, commission or similar compensation will be payable

with respect to the transactions contemplated hereby. Except as otherwise agreed with the Administrative Agent, no other similar fees or commissions will be payable by any Loan Party for any other services rendered to the Borrower or any of its Subsidiaries ancillary to the transactions contemplated hereby.

SECTION 1.29. Survival of Representations and Warranties, Etc. All statements contained in any certificate, financial statement or other instrument delivered by or on behalf of the Borrower, any Subsidiary or any other Loan Party to the Administrative Agent or any Lender pursuant to or in connection with this Agreement or any of the other Loan Documents (including, but not limited to, any such statement made in or in connection with any amendment thereto or any statement contained in any certificate, financial statement or other instrument delivered by or on behalf of any Loan Party prior to the Restatement Date and delivered to the Administrative Agent or any Lender in connection with the underwriting or closing of the transactions contemplated hereby) shall constitute representations and warranties made by the Loan Parties in favor of the Administrative Agent and each of the Lenders under this Agreement. All such representations and warranties shall survive the effectiveness of this Agreement, the execution and delivery of the Loan Documents and the making of the Advances.

SECTION 1.30. Loans and Investments. No Loan Party nor any of their respective Subsidiaries has made a loan, advance or Investment which is outstanding or existing on the Sixth Amendment Effective Date except (i) Portfolio Investments in the ordinary course of business and consistently with the Investment Policies, (ii) Investments in Subsidiaries and Affiliates as set forth on Schedule 4.24, (iii) Investments in Cash and Cash Equivalents, and (iv) other Investments in existence on the Sixth Amendment Effective Date and described on Schedule 4.30.

SECTION 1.31. No Default or Event of Default. No event has occurred and is continuing and no condition exists, or would result from any Advance or from the application of the proceeds therefrom, which constitutes or would reasonably be expected to constitute Default or Event of Default.

SECTION 1.32. USA Patriot Act; OFAC.

(a) No Loan Party nor any Affiliate of a Loan Party is (1) 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; (2) a "**Foreign Shell Bank**" within the meaning of the USA Patriot Act, i.e., a foreign lender 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 (3) 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.

(b) No Loan Party or any Affiliate of a Loan Party (i) is a Sanctioned Entity or is controlled by or is acting on behalf of a Sanctioned Entity, (ii) has more than 10% of its assets located in Sanctioned Entities, or (iii) derives more than 10% of its operating income from investments in, or transactions with Sanctioned Entities. The proceeds of any Advance will not be used and have not been used to fund any operations in, finance any investments or activities in or make any payments to, a Sanctioned Entity. Each Loan Party is in compliance with all applicable OFAC rules and regulations, and no Loan Party or any Affiliate of a Loan Party is in violation of and shall not violate any of the country or list based economic and trade sanctions administered and enforced by OFAC that are described or referenced at <http://www.ustreas.gov/offices/enforcement/ofac/> or as otherwise published from time to time.

(c) Notwithstanding anything contained in the foregoing to the contrary, no Loan Party shall have any duty to investigate or confirm that any shareholder of Borrower or any officer, director, manager, employee, owner or Affiliate of a Portfolio Investment is in compliance with the

provisions of this **Section 4.32**, and any violation by any such Person shall not be a Default under this Agreement.

SECTION 1.33. **Material Contracts. Schedule 4.33** is, as of the Sixth Amendment Effective Date, a true, correct and complete listing of all contracts to which any Loan Party is a party, the breach of or failure to perform which, either by a Loan Party or other party to such contract could reasonably be expected to result in a Material Adverse Effect (“**Material Contract**”). The Borrower, its Subsidiaries and the other Loan Parties that are a party to any Material Contract has performed and is in compliance with all of the material terms of such Material Contract, and no Loan Party has knowledge of any default or event of default, or event or condition which with the giving of notice, the lapse of time, or both, would constitute such a default or event of default, that exists with respect to any such Material Contract, in each case, other than any nonperformance, noncompliance, default or event of default that does not constitute an Event of Default under Section 6.01(o).

SECTION 1.34. **Collateral-Mortgage Property.** With respect to each Mortgaged Property, if any, within the Collateral the Administrative Agent has: (i) a first priority lien (subject to Permitted Encumbrances) upon the fee simple title to the Mortgaged Property, if any; (ii) a first priority lien (subject to Permitted Encumbrances) upon the leases and rents applicable to the Mortgaged Property, if any; (iii) a first priority lien (subject to Permitted Encumbrances) upon all equipment and fixtures applicable to the Mortgaged Property, if any; and (iv) all Mortgaged Property Security Documents, if any, reasonably requested by the Administrative Agent.

SECTION 1.35. **Mortgaged Properties; Flood Insurance.**

(a) As of the Sixth Amendment Effective Date, **Schedule 1.01** is a correct and complete list of all Mortgaged Properties, if any, included in the Collateral.

(b) All Mortgaged Properties owned by the Loan Parties is insured pursuant to policies and other bonds which are valid and in full force and effect and which provide adequate coverage from reputable and financially sound insurers in amounts sufficient to insure the assets and risks of each such Loan Party in accordance with prudent business practice in the industry of such Loan Party. Each Loan Party has taken all actions required under the Flood Laws and/or requested by Administrative Agent to assist in ensuring that each Lender is in compliance with the Flood Laws applicable to the Collateral, including, but not limited to, providing Administrative Agent with the address and/or GPS coordinates of each structure located upon any Mortgaged Property that will be subject to a mortgage or deed of trust in favor of Administrative Agent, and, to the extent required, obtaining flood insurance for such property, structures and contents prior to such property, structures and contents becoming Collateral.

SECTION 1.36. **Common Enterprise.** The successful operation and condition of the Loan Parties is dependent on the continued successful performance of the functions of the group of Loan Parties as a whole and the successful operation of each of the Loan Parties is dependent on the successful performance and operation of each other Loan Party. Each Loan Party expects to derive benefit (and its board of directors or other governing body has determined that it may reasonably be expected to derive benefit), directly and indirectly, from (i) successful operations of each of the other Loan Parties and (ii) the credit extended by the Lenders to the Borrower hereunder, both in their separate capacities and as members of the group of companies. Each Loan Party has determined that execution, delivery, and performance of this Agreement and any other Loan Documents to be executed by such Loan Party is within its purpose, will be of direct and indirect benefit to such Loan Party, and is in its best interest.

SECTION 1.37. **Investment Policies.** Since the Sixth Amendment Effective Date, there have been no material changes in the Investment Policies other than Permitted Policy Amendments, and the Borrower has at all times complied in all material respects with the Investment Policies with respect to each Portfolio Investment. The Investment Policies, to the extent described in the Borrower’s annual report on Form 10-K most recently filed with the Securities and Exchange

Commission or in any subsequent filings as filed with the Securities and Exchange Commission, are or will be fully and accurately described in all material respects.

SECTION 1.38. Eligibility of Portfolio Investments. On the date of each Borrowing or Swing Borrowing, (i) the information contained in the Borrowing Base Certification Report delivered pursuant to Section 3 is an accurate and complete listing in all material respects of all the Eligible Investments that are part of the Collateral as of such date, and the information contained therein with respect to the identity of such Portfolio Investment and the amounts owing thereunder is true and correct in all material respects as of such date and (ii) each such Portfolio Investment is an Eligible Investment.

SECTION 1.39. Portfolio Investments. The Borrower has not authorized the filing of and is not aware of any financing statements against the Borrower that include a description of collateral covering the Portfolio Investments owned directly by the Borrower other than any financing statement that has been terminated, financing statements naming the Administrative Agent for the benefit of the Secured Parties as secured party or any financing statement arising from a Permitted Encumbrance. The Borrower is not aware of the filing of any judgment or tax Lien filings against the Borrower. Each Portfolio Investment was originated or acquired without any fraud or material misrepresentation by the Borrower or, to the best of the Borrower's knowledge, on the part of the Obligor.

SECTION 1.40. Selection Procedures. No procedures believed by the Borrower to be adverse to the interests of the Administrative Agent and the Lenders were utilized by the Borrower in identifying and/or selecting the Portfolio Investments that are part of the Eligible Investments and are included in the Borrowing Base.

SECTION 1.41. Coverage Requirement. The Advances outstanding do not exceed the lesser of (i) the aggregate amount of the Revolver Commitments of all the Lenders and (ii) the Borrowing Base.

SECTION 1.42. Foreign Corrupt Practices. Neither the Borrower nor any other Loan Party, nor any director, officer, agent, employee or Affiliate of the Borrower or any such other Loan Party is aware of or has taken any action, directly or indirectly, that would result in a material violation by such Persons of the FCPA, including without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA; and, the Loan Parties and their Affiliates have conducted their business in material compliance with the FCPA and have instituted and maintained policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 1.43. Structured Subsidiaries.

(a) There are no agreements or other documents relating to any Structured Subsidiary binding upon the Borrower or any of its Subsidiaries (other than such Structured Subsidiary) other than as permitted under the definition thereof.

(b) The Borrower has not Guaranteed the Debt or other obligations in respect of any credit facility relating to the Structured Subsidiaries, other than pursuant to Standard Securitization Undertakings.

SECTION 1.44. Volcker Rule. The Volcker Rule is not applicable to Advances made pursuant to this Agreement.

SECTION 1.45. Beneficial Ownership Certificate. The information included in the Beneficial Ownership Certification delivered on or prior to the Sixth Amendment Effective Date, as updated from time to time in accordance with this Agreement, is true and correct in all respects.

ARTICLE V
COVENANTS

The Borrower and Guarantors agree, jointly and severally, that, so long as any Lender has any Revolver Commitment hereunder or any Obligation remains unpaid:

SECTION 1.01. Information. The Borrower will deliver to the Administrative Agent, who will then promptly deliver to each of the Lenders:

(a) as soon as available and in any event within 90 days after the end of each Fiscal Year, an audited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as of the end of such Fiscal Year and the related consolidated statements of income, shareholders' equity and cash flows for such Fiscal Year, setting forth in each case in comparative form the figures for the previous Fiscal Year, all certified by Grant Thornton LLP or another independent public accountants reasonably acceptable to the Administrative Agent, with such certification to be free of exceptions and qualifications not acceptable to the Required Lenders; provided, that to the extent that any Structured Subsidiary, Special Purpose Subsidiary or Foreclosed Subsidiary that is treated as a consolidated entity and reflected on the consolidated balance sheet of the Borrower and its Subsidiaries, concurrently with the delivery of the financial statements referred to in this paragraph (a), the Borrower shall provide to the Administrative Agent a balance sheet for each such Structured Subsidiary, Special Purpose Subsidiary and such Foreclosed Subsidiary as of the end of such Fiscal Year and the related statements of income and stockholders' equity of such Structured Subsidiary, Special Purpose Subsidiary and such Foreclosed Subsidiary for such Fiscal Year, setting forth in each case in comparative form the figures for the previous Fiscal Year;

(b) as soon as available and in any event within 45 days after the end of each of the first three Fiscal Quarters of each Fiscal Year, a consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as of the end of such Fiscal Quarter and the related statement of income and statement of cash flows for such Fiscal Quarter and for the portion of the Fiscal Year ended at the end of such Fiscal Quarter, setting forth in each case in comparative form the figures for the corresponding Fiscal Quarter and the corresponding portion of the previous Fiscal Year, all certified (subject to normal year-end adjustments and the absence of footnotes) as to fairness of presentation in all material respects, GAAP and consistency (except as set forth therein) by the chief financial officer or other authorized officer of the Borrower; provided, that to the extent that any Structured Subsidiary, Special Purpose Subsidiary or any Foreclosed Subsidiary that is treated as a consolidated entity and reflected on the consolidated balance sheet of the Borrower and its Subsidiaries, concurrently with the delivery of the financial statements referred to in this paragraph (b), the Borrower shall provide to the Administrative Agent a balance sheet for each such Structured Subsidiary, Special Purpose Subsidiary and such Foreclosed Subsidiary as of the end of such Fiscal Quarter and the related statements of income and stockholders' equity of such Structured Subsidiary, Special Purpose Subsidiary and such Foreclosed Subsidiary for such Fiscal Quarter, setting forth in each case in comparative form the figures for the previous Fiscal Quarter;

(c) simultaneously with the delivery of each set of financial statements referred to in clauses (a) and (b) above, a certificate, substantially in the form of Exhibit H and with compliance calculations in form and content reasonably satisfactory to the Administrative Agent (a "Compliance Certificate"), of the chief financial officer or other authorized officers of the Borrower (i) setting forth in reasonable detail the calculations required to establish whether the Loan Parties were in compliance with the requirements of Sections 5.04, 5.05, 5.07, 5.09, 5.10, 5.11, 5.12, 5.37 and 5.46 on the date of such financial statements, (ii) setting forth the identities of the respective Subsidiaries on the date of such financial statements, (iii) stating whether any Default exists on the date of such certificate and, if any Default then exists, setting forth the details thereof and the action which the Loan Parties are taking or propose to take with respect thereto and (iv)

stating whether any default exists under the Subordinated Main Street Loan Agreement on the date of such certificate and, if any default then exists, setting forth the details thereof and the action which the Borrower is taking or proposes to take with respect thereto;

(d) as soon as available and in any event within 30 days after the end of each calendar month, a monthly summary from the Collateral Custodian with respect to the Collateral subject to the Custodial Agreements with the Collateral Custodian, such summary to be in form and substance acceptable to the Administrative Agent;

(e) within 5 Business Days after the Borrower becomes aware of the occurrence of any Default (including, without limitation, if Administrative Agent shall fail for any reason to have a valid first priority security interest in any of the Collateral (in each case, other than Permitted Encumbrances or by reason of any act or omission solely on behalf of the Administrative Agent)), a certificate of the chief financial officer or other authorized officer of the Borrower setting forth the details thereof and the action which the Borrower is taking or proposes to take with respect thereto;

(f) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed with the Securities and Exchange Commission, or any Governmental Authority succeeding to any or all functions of said Commission, or with any national securities exchange, or distributed by the Borrower to its shareholders generally, as the case may be;

(g) if and when the Borrower or any member of the Controlled Group (i) gives or is required to give notice to the PBGC of any "reportable event" (as defined in Section 4043 of ERISA) with respect to any Plan which might constitute grounds for a termination of such Plan under Title IV of ERISA, or knows that the plan administrator of any Plan has given or is required to give notice of any such reportable event, a copy of the notice of such reportable event given or required to be given to the PBGC; (ii) receives notice of complete or partial withdrawal liability under Title IV of ERISA, a copy of such notice; or (iii) receives notice from the PBGC under Title IV of ERISA of an intent to terminate or appoint a trustee to administer any Plan, a copy of such notice;

(h) promptly after the Borrower knows of the commencement thereof, notice of any litigation, dispute or proceeding (and any material development in respect of such proceedings) involving a claim against a Loan Party and/or any Subsidiary of a Loan Party that, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;

(i) a Borrowing Base Certification Report, substantially in the form of **Exhibit D** and otherwise in form and content reasonably satisfactory to the Administrative Agent, which report is certified as to truth and accuracy by the chief financial officer or other authorized officer of the Borrower and which report shall be delivered (A) while any Advances or other amounts are outstanding, within 7 calendar days following the last day of each month or (B) otherwise, if there are no Advances outstanding, within 15 calendar days following the last day of each calendar month;

(j) promptly at the request of the Administrative Agent, (i) copies of the Investment Documents with respect to any Portfolio Investment and (ii) to the extent not subject to a nondisclosure provision (unless the Administrative Agent executes and delivers any non-reliance letter, release, confidentiality agreement or similar agreements required by such third party appraiser), any valuation report received by the Borrower with respect to the Borrower's and its Subsidiaries' (other than any Structured Subsidiaries' or any Immaterial Subsidiaries') loan and investment portfolio, conducted by Deloitte Financial Advisory Services LLP or such other third party appraiser reasonably acceptable to the Administrative Agent;

(k) promptly after the Borrower knows of a Value Triggering Event, notice of such event and the value of the affected Loan;

(l) promptly upon the occurrence of any Internal Control Event which is required to be publicly disclosed of which a Responsible Officer (other than a Responsible Officer committing the fraud constituting such Internal Control Event) has knowledge;

(m) as soon as available and in any event within 45 days after the end of each Fiscal Quarter of each Fiscal Year, commencing with the first Fiscal Quarter to end on or after the date on which the Borrower has any Structured Subsidiary, a certificate of a Responsible Officer of the Borrower certifying that attached thereto is a complete and correct description of all portfolio investments made by such Structured Subsidiary as of the date thereof, including, with respect to each such portfolio investment, the name of the Structured Subsidiary holding such portfolio investment and the name of the Obligor of such portfolio investment;

(n) for informational purposes only, promptly following each fiscal year end, an operating cash flow budget for the immediately succeeding calendar year, substantially similar in format to that delivered pursuant to **Section 3.01(l)(iii)** hereof and containing the level of detail acceptable to the Administrative Agent;

(o) from time to time such additional information regarding the financial position or business of the Borrower, its Subsidiaries, and each Loan Party as the Administrative Agent, at the request of any Lender, may reasonably request; and

(p) promptly after the occurrence thereof, any change in the information provided or required to be included in the Beneficial Ownership Certification.

For purposes of clauses (a), (b) and (f) of this **Section 5.01**, all financial statements and other information contained therein filed with the Securities and Exchange Commission shall be deemed delivered hereunder; provided, however, that nothing in the foregoing shall be deemed to relieve the Borrower of its obligation to deliver a Compliance Certificate pursuant to **clause (c)**.

SECTION 1.02. Inspection of Property, Books and Records. The Borrower will (i) keep, and will cause each of its Subsidiaries to keep, its books and records in conformity with GAAP; (ii) permit, and will cause each Subsidiary of the Borrower and each Loan Party to permit, with at least five (5) Business Days' prior notice (or such lesser time period agreed upon by the Administrative Agent and the Borrower), which notice shall not be required in the case of an emergency, the Administrative Agent or its designee, at the expense of the Borrower and Loan Parties, to perform periodic field audits and investigations of the Borrower, the Loan Parties and the Collateral, from time to time; provided that the Borrower shall only be required to reimburse the Administrative Agent for one such audit and investigation each Fiscal Year unless an Event of Default shall have occurred and be continuing at the time of any subsequent audit and investigation; and (iii) permit, and will cause each Subsidiary to permit, with at least five (5) Business Days' prior notice (or such lesser time period agreed upon by the Administrative Agent and the Borrower), the Administrative Agent or its designee, at the expense of the Borrower and the Loan Parties, to visit and inspect any of their respective properties, to examine and make copies of any of their respective books and records (but only to the extent the Borrower is not prohibited from disclosing such information or providing access to such information pursuant to Applicable Law or an agreement any Loan Party entered into with a third party in the ordinary course of its business), and to discuss their respective affairs, finances and accounts with their respective officers, employees and independent public accountants, in each case, to the extent such inspection or requests for such information are reasonable and such information can be provided or discussed without violation of law, rule, regulation or contract; provided that (x) the Borrower shall be entitled to have its representatives and advisers present during any inspection of its books and records and (y) the Borrower shall only be required to reimburse the Administrative Agent for only one such inspection each Fiscal Year unless an Event of Default shall have occurred and be continuing. The Loan Parties agree to cooperate and assist in such visits and inspections, in each case at such reasonable times and as often as may reasonably be desired.

SECTION 1.03. Maintenance of RIC Status and Business Development Company. The Borrower will maintain its status as a RIC under the Code and as a “business development company” under the Investment Company Act.

SECTION 1.04. Minimum Liquidity. The Borrower will maintain, at any time when the Covered Debt Amount minus Cash and Cash Equivalents exceeds 90% of the Adjusted Borrowing Base, Liquidity of not less than 10% of the aggregate outstanding principal amount of the sum of all Revolver Advances as of the date of determination (the “Minimum Liquidity Requirement”).

SECTION 1.05. Capital Expenditures. Capital Expenditures of the Loan Parties will not exceed in the aggregate in any Fiscal Year the sum of \$500,000; provided that after giving effect to the incurrence of any Capital Expenditures permitted by this Section, no Default shall have occurred and be continuing (with the effect that amounts not incurred in any Fiscal Year may not be carried forward to a subsequent period).

SECTION 1.06. Sale/Leasebacks. The Loan Parties shall not, nor shall they permit any Subsidiary to, enter into any Sale/Leaseback Transaction.

SECTION 1.07. Minimum Consolidated Tangible Net Worth. Consolidated Tangible Net Worth shall be calculated quarterly commencing on the Fiscal Quarter ending March 31, 2014 and at the end of each Fiscal Quarter thereafter, and shall not be less than the greater of (a) the aggregate amount of the Revolver Commitments and (b) \$50,000,000.00.

SECTION 1.08. Acquisitions. No Loan Party or any Subsidiary of a Loan Party shall make any Acquisition, or take any action to solicit the tender of securities or proxies in respect thereof in order to effect any Acquisition.

SECTION 1.09. Interest Coverage Ratio. The Borrower will maintain, as of the end of each Fiscal Quarter, an Interest Coverage Ratio of not less than 2.00:1.00, determined for the period of the four consecutive preceding Fiscal Quarters ending on the date of determination.

SECTION 1.10. Asset Coverage Ratio. The Borrower will maintain an Asset Coverage Ratio, as of the end of each Fiscal Quarter, commencing with the Fiscal Quarter ending September 30, 2021, of not less than 2.00:1.00.

SECTION 1.11. Loans or Advances. No Loan Party nor any Subsidiary of a Loan Party (other than Structured Subsidiaries) shall make loans or advances to any Person (other than any Portfolio Investment) except: (i) solely to the extent not prohibited by Applicable Laws, employee loans or advances that do not exceed Two Hundred Thousand Dollars (\$200,000) in the aggregate at any one time outstanding made on an arms'-length basis in the ordinary course of business; (ii) deposits required by government agencies or public utilities; (iii) loans or advances to the Borrower or any Guarantor that is a Consolidated Subsidiary; (iv) [reserved]; and (v) loans and advances outstanding on the Sixth Amendment Effective Date and set forth on Schedule 5.11; provided that after giving effect to the making of any loans, advances or deposits permitted by this Section 5.11 (other than clauses (iii) and (v)), no Default shall have occurred and be continuing. All loans or advances permitted under this Section 5.11 (excluding Noteless Loans) shall be evidenced by written promissory notes. Except as approved by the Administrative Agent in writing, no Loan Party nor any Subsidiary of a Loan Party shall request or receive a promissory note or other instrument from any Obligor in connection with a Noteless Loan.

SECTION 1.12. Restricted Payments. The Loan Parties will not declare or make any Restricted Payment during any Fiscal Year, except that:

- (a) any Subsidiary of the Borrower may pay Restricted Payments to the Borrower, on at least a pro rata basis with any other shareholders if such Subsidiary is not wholly owned by the Borrower and other Wholly Owned Subsidiaries; and

(b) the Borrower may declare or make Restricted Payments from time to time in accordance with Applicable Law to owners of its Capital Securities so long as (i) at the time when any such Restricted Payment is to be made, no Default or Event of Default has occurred and is continuing or would result therefrom; and (ii) the chief executive officer, chief financial officer or other authorized officer of the Borrower shall have certified to the Administrative Agent and Lenders as to compliance with the preceding clause (i) in a certificate attaching calculations; provided, however, that (x) the Borrower shall not have to provide a certificate to the Administrative Agent for any Restricted Payments arising under clause (ii) in the definition of Restricted Payments as long as the declaration or making of such Restricted Payments does not cause the occurrence or continuance of a Default or Event of Default, and (y) notwithstanding the existence of a Default or an Event of Default (other than an Event of Default specified in **Sections 6.01(g)** or **(h)**), the Borrower may pay dividends in an amount equal to 110% of its investment company taxable income, net tax-exempt interest and capital gain net income that is required to be distributed to its shareholders in order to maintain its status as an RIC and to avoid U.S. federal income and excise taxes imposed on RICs.

SECTION 1.13. **Investments.** No Loan Party nor any Subsidiary of a Loan Party shall make Investments in any Person except as permitted by **Sections 5.08** and **5.11** and except (i) Investments in Cash and Cash Equivalents, (ii) Investments not constituting loans or advances in the Capital Securities of their respective Subsidiaries and equity investments as set forth on **Schedule 4.24**, (iii) Investments in Portfolio Investments made in the ordinary course of business and consistently with the Investment Policies, (iv) Capital Securities in (or capital contributions to) Structured Subsidiaries or Immaterial Subsidiaries acquired or created after the Closing Date to the extent not prohibited by **Section 5.17**, (v) Investments by any Structured Subsidiary (other than MSIF Funding LLC, so long as the Borrower has complied with its obligation to deliver the certificate of designation described in the definition of "Structured Subsidiary") or any Immaterial Subsidiary, (vi) Investments in Loan Fund Joint Ventures so long as, in the case of each Loan Fund Joint Venture, after giving effect to any such Investment, no Default or Event of Default exists and the Covered Debt Amount does not exceed the Borrowing Base, provided that the aggregate amount of all such Investments in Loan Fund Joint Ventures shall not exceed \$100,000,000 unless immediately after giving effect to any such Investment in excess of \$100,000,000, the Consolidated Tangible Net Worth is at least 125% of the amount required to be maintained under **Section 5.07** (and in determining Consolidated Tangible Net Worth for this purpose, the value of the Capital Securities issued by the Loan Fund Joint Ventures shall be disregarded) and (vii) Hedge Transactions entered into in the ordinary course of such Loan Party's or such Subsidiary's financial planning and not for speculative purposes. For the purpose of clause (vi) above, a Loan Party may make an Investment in a Loan Fund Joint Venture to fulfill an obligation under a capital call commitment to the extent that either (x) the amount of such Investment is permitted under clause (vi) at the time that the Investment is made in cash or (y) the amount of such Investment would have been permitted under clause (vi) at the time that the capital call commitment was entered into had the Investment been made in cash at such time.

SECTION 1.14. **Negative Pledge.** No Loan Party nor any Subsidiary of a Loan Party will create, assume or suffer to exist any Lien on any asset now owned or hereafter acquired by it (including Capital Securities in any Subsidiary), except:

- (a) Liens existing on the Sixth Amendment Effective Date encumbering assets (other than Collateral) securing Debt outstanding on the Sixth Amendment Effective Date, in each case as described and in the principal amounts set forth on **Schedule 5.14**;
- (b) Liens for taxes, assessments or similar charges, incurred in the ordinary course of business that are not yet due and payable or that are being contested in good faith and with due diligence by appropriate proceedings;
- (c) Liens incurred or pledges or deposits made in the ordinary course of business to secure payment of workers' compensation, or to participate in any fund in connection with workers' compensation, unemployment insurance, old-age pensions or other social security programs which in no event shall become a Lien prior to any Collateral Documents;

(d) Liens of mechanics, materialmen, warehousemen, carriers or other like liens, securing obligations incurred in the ordinary course of business that: (1) are not yet due and payable and which in no event shall become a Lien prior to any Collateral Documents; or (2) are being contested diligently in good faith pursuant to appropriate proceedings and with respect to which the Loan Party has established adequate reserves on its books and records in accordance with GAAP and which in no event shall become a Lien prior to any Collateral Documents;

(e) good faith pledges or deposits made in the ordinary course of business to secure performance of bids, insurance premiums, deductibles or co-insured amounts, tenders, contracts (other than for the repayment of borrowed money) or leases, not in excess of ten percent (10%) of the aggregate amount due thereunder, or to secure statutory obligations, or surety, stay, customs, appeal, indemnity, performance or other similar bonds required in the ordinary course of business which in no event shall become a Lien prior to any Collateral Document;

(f) any Lien arising out of the refinancing, extension, renewal or refunding of any Debt secured by any Lien permitted by any of the foregoing clauses of this Section, provided that (i) such Debt is not secured by any additional assets, and (ii) the outstanding principal amount of such Debt secured by any such Lien is not increased;

(g) encumbrances consisting of zoning restrictions, easements or other restrictions on the use of real property, none of which materially impairs the use of such property by Borrower in the operation of its business, and none of which is violated in any material respect by existing or proposed restrictions on land use;

(h) any Lien on Margin Stock;

(i) any Lien imposed as a result of a taking under the exercise of the power of eminent domain by any governmental body or by any Person acting under governmental authority;

(j) customary rights of setoff and Liens securing (i) reasonable and customary fees of banks and other depository institutions on Cash and Cash Equivalents held on deposit with such banks and institutions; provided that such Liens are subordinated to the Liens described in **Section 5.14(l)**, (ii) cash and financial assets held in securities accounts in favor of banks and other financial institutions with which such accounts are maintained in the ordinary course of business and (iii) assets held by a custodian in favor of such custodian in the ordinary course of business securing payment of fees, indemnities and other similar obligations;

(k) Liens on assets owned by Structured Subsidiaries;

(l) Liens securing the Administrative Agent and the Secured Parties created or arising under the Loan Documents;

(m) Liens securing Debt permitted under **Section 5.31(d)**, provided that (i) such Liens do not at any time encumber any property other than property financed by such Debt, (ii) the Debt secured thereby does not exceed the cost or fair market value, whichever is lower, of the property being acquired on the date of acquisition, and (iii) such Liens attach to such property concurrently with or within ninety (90) days after the acquisition thereof;

(n) Liens on the Permitted Capital Securities issued by any Loan Fund Joint Venture securing the applicable Debt of such Loan Fund Joint Venture;

(o) Liens on any Capital Securities of any Portfolio Investment, in favor of the secured party as disclosed on a search of UCC filings against such Portfolio Investment as of a date not more than ten days prior to the Sixth Amendment Effective Date;

(p) Liens securing repurchase obligations arising in the ordinary course of business with respect to securities issued or directly and fully guaranteed or insured by the United States of America or any agency thereof;

(q) Liens of clearing agencies, broker-dealers and similar Liens incurred in the ordinary course of business, provided that such Liens (i) attach only to the securities (or proceeds) being purchased or sold and (ii) secure only obligations incurred in connection with such purchase or sale, and not any obligation in connection with margin financing;

(r) Liens arising out of judgments or awards so long as such judgments or awards do not constitute an Event of Default under Section 6.01(j);

(s) Liens arising solely from precautionary filings of financing statements under the Uniform Commercial Code of the applicable jurisdictions in respect of operating leases entered into by the Borrower or any of its Subsidiaries in the ordinary course of business or in respect of assets sold or otherwise disposed of to any Person not prohibited hereunder;

(t) deposits of money securing leases to which Borrower is a party as lessee made in the ordinary course of business; and

(u) Liens in favor of any escrow agent solely on and in respect of any cash earnest money deposits made by any Loan Party in connection with any letter of intent or purchase agreement (to the extent that the acquisition or disposition with respect thereto is otherwise permitted hereunder).

SECTION 1.15. Maintenance of Existence, etc. Each Loan Party shall, and shall cause each Subsidiary of a Loan Party (other than any Structured Subsidiary or any Immaterial Subsidiary) to, maintain its organizational existence and carry on its business in substantially the same manner and in substantially the same line or lines of business or line or lines of business reasonably related to the business now carried on and maintained; provided that the foregoing shall not prohibit any merger consolidation, liquidation or dissolution permitted under Sections 5.16 and 5.17.

SECTION 1.16. Dissolution. No Loan Party nor any Subsidiary of a Loan Party (other than any Structured Subsidiary or any Immaterial Subsidiary) shall suffer or permit dissolution or liquidation either in whole or in part or redeem or retire any shares of its own Capital Securities or that of any Subsidiary of a Loan Party (other than any Structured Subsidiary or any Immaterial Subsidiary), except: (1) through corporate or company reorganization to the extent permitted by **Section 5.17**; (2) Restricted Payments permitted by **Section 5.12**; and (3) with respect to any Subsidiary, so long as (x) in connection with such dissolution or liquidation, any and all of the assets of such Subsidiary shall be distributed or otherwise transferred to a Loan Party and (y) such dissolution or liquidation is not materially adverse to the Lenders.

SECTION 1.17. Consolidations, Mergers and Sales of Assets. No Loan Party will, nor will it permit any Subsidiary of a Loan Party (other than a Structured Subsidiary or an Immaterial Subsidiary) to, consolidate or merge with or into, or sell, lease or otherwise transfer all or any substantial part of its assets to, any other Person, or discontinue or eliminate any business line or segment, provided that (a) pursuant to the consummation of an Acquisition permitted under **Section 5.08** (but not otherwise) a Loan Party may merge with another Person if (i) such Person was organized under the laws of the United States of America or one of its states, (ii) the Loan Party is the Person surviving such merger, (iii) immediately after giving effect to such merger, no Default shall have occurred and be continuing, and (iv) if the Borrower merges with another Loan Party, the Borrower is the Person surviving such merger; (b) Subsidiaries of a Loan Party (excluding Loan Parties) may merge with one another; and (c) the foregoing limitation on the sale, lease or other transfer of assets and on the discontinuation or elimination of a business line or segment shall not prohibit (1) a transfer of assets or the discontinuance or elimination of a business line or segment (in a single transaction or in a series of related transactions) in the ordinary course of business of the Borrower and its Subsidiaries (other than Structured Subsidiaries or Immaterial Subsidiaries) if, after giving effect thereto the Borrower and its

Subsidiaries shall be in compliance on a pro forma basis, after giving effect to such transfer, discontinuation or elimination, with the other terms and conditions of this Agreement, (2) divestitures of Portfolio Investments in the ordinary course of business of the Borrower and its Subsidiaries (other than Structured Subsidiaries or Immaterial Subsidiaries) if, after giving effect thereto (and to any concurrent acquisitions of Portfolio Investments or payments of outstanding Loans) the (A) Borrower and its Subsidiaries shall be in compliance on a pro forma basis, after giving effect to any such divestiture, with the other terms and conditions of this Agreement, and (B) the Covered Debt Amount does not exceed the Borrowing Base, (3) any sale, lease or other transfer of assets by any Guarantor to the Borrower or any Wholly Owned Subsidiary of the Borrower that is a Guarantor and (4) divestitures (including by way of consolidation or merger) of the Capital Securities of any Subsidiary of the Borrower (i) to the Borrower or any Wholly Owned Subsidiary of the Borrower that is a Guarantor or (ii) so long as such transaction results in a Loan Party receiving the proceeds of such disposition, to any other Person, provided that in the case of this clause (ii) if such Subsidiary is a Guarantor or holds any Portfolio Investments, the Borrower would not have been prohibited from disposing of any such Portfolio Investments to such other Person under any other term of this Agreement; provided, however, that upon the occurrence and during the continuance of a Default or an Event of Default, the Borrower shall not sell, transfer or otherwise dispose of any asset (including without limitation any Portfolio Investment) without the prior written consent of the Administrative Agent. Notwithstanding the foregoing, a Loan Party may sell, transfer or otherwise dispose of Portfolio Investments originated or purchased by the Borrower and transferred to a Structured Subsidiary or an Immaterial Subsidiary so long as (x) prior to and after giving effect to such sale, transfer or other disposition (and any concurrent acquisitions of Portfolio Investments or payment of outstanding Loans) the Covered Debt Amount does not exceed the Borrowing Base and no Default exists and the Borrower delivers to the Administrative Agent a certificate of a Responsible Officer to such effect, and (y) either (i) the amount by which the Borrowing Base exceeds the Covered Debt Amount immediately prior to such release is not diminished as a result of such release or (ii) the Borrowing Base immediately after giving effect to such release is at least 100% of the Covered Debt Amount.

SECTION 1.18. Use of Proceeds. No portion of the proceeds of any Advance will be used by the Borrower or any Subsidiary (i) in connection with, either directly or indirectly, any tender offer for stock of any corporation with a view towards obtaining control of such other corporation (other than a Portfolio Investment; provided that the board of directors or comparable governing body of the Obligor in which such Investment is made has approved such offer and change of control), (ii) directly or indirectly, for the purpose, whether immediate, incidental or ultimate, of purchasing or carrying any Margin Stock, or (iii) for any purpose in violation of any applicable law or regulation. Except as otherwise provided herein, the proceeds of the Advances shall be used: (i) for working capital and other lawful corporate purposes of the Loan Parties, (ii) to pay fees and expenses incurred in connection with this Agreement and (iii) for investments in Portfolio Investments. No part of the proceeds of any Advance will be used, whether directly or indirectly, for any purpose that would violate any rule or regulation of the Federal Reserve Board, including Regulations T, U or X.

SECTION 1.19. Compliance with Laws; Payment of Taxes. Each Loan Party will, and will cause each Subsidiary of a Loan Party and each member of the Controlled Group to, comply in all material respects with Applicable Laws (including but not limited to ERISA and the USA Patriot Act), regulations and similar requirements of governmental authorities (including but not limited to PBGC), except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. Each Loan Party will, and will cause each Subsidiary of a Loan Party to, pay promptly when due all taxes, assessments, governmental charges, claims for labor, supplies, rent and other obligations which, if unpaid, could reasonably be expected to have a Material Adverse Effect, except liabilities being contested in good faith by appropriate proceedings diligently pursued and against which, if requested by the Administrative Agent, the Borrower shall have set up reserves in accordance with GAAP.

SECTION 1.20. Insurance.

(a) Each Loan Party will maintain, and will cause each Subsidiary of a Loan Party (other than any Immaterial Subsidiary) to maintain (either in the name of such Loan Party or in

such Subsidiary's own name), with financially sound and reputable insurance companies, insurance on all its Property in at least such amounts and against at least such risks as are usually insured against by companies of established repute engaged in the same or similar business. Upon request, the Loan Parties shall promptly furnish the Administrative Agent copies of all such insurance policies or certificates evidencing such insurance and such other documents and evidence of insurance as the Administrative Agent shall request.

(b) Each Loan Party shall take all actions required under the Flood Laws and/or requested by Administrative Agent to assist in ensuring that each Lender is in compliance with the Flood Laws applicable to the Collateral, including, but not limited to, providing Administrative Agent with the address and/or GPS coordinates of each structure on any Mortgaged Property that will be subject to a mortgage or deed of trust in favor of Administrative Agent, and, to the extent required, obtaining flood insurance for such property, structures and contents prior to such property, structures and contents becoming Collateral, and thereafter maintaining such flood insurance in full force and effect for so long as required by the Flood Laws.

SECTION 1.21. Change in Fiscal Year. No Loan Party will make any significant change in accounting treatment or reporting practices, except as required or permitted by GAAP or Applicable Law, or change its Fiscal Year (except to conform with the Fiscal Year of the Borrower) without the consent of the Required Lenders.

SECTION 1.22. Maintenance of Property. Each Loan Party shall, and shall cause each Subsidiary of a Loan Party to, maintain all of its properties and assets material to the conduct of its business in good condition, repair and working order, ordinary wear and tear excepted.

SECTION 1.23. Environmental Notices. Each Loan Party shall furnish to the Lenders and the Administrative Agent, promptly upon obtaining actual knowledge, written notice of all material Environmental Liabilities, pending, threatened (in writing) or anticipated Environmental Proceedings, Environmental Notices, Environmental Judgments and Orders, and Environmental Releases at, on, in, under or in any way affecting in any material respects the Properties or any adjacent property, and all facts, events, or conditions that could reasonably be expected to lead to any of the foregoing.

SECTION 1.24. Environmental Matters. No Loan Party or any Subsidiary of a Loan Party will, and the Loan Parties shall use commercially reasonable efforts not to permit any Third Party to, use, produce, manufacture, process, treat, recycle, generate, store, dispose of, manage at, or otherwise handle or ship or transport to or from the Properties any Hazardous Materials except for Hazardous Materials such as cleaning solvents, office supplies, pesticides and other similar materials used, produced, manufactured, processed, treated, recycled, generated, stored, disposed, managed or otherwise handled in minimal amounts in the ordinary course of business in compliance with all applicable Environmental Requirements, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 1.25. Environmental Release. Each Loan Party agrees that obtaining actual knowledge of the occurrence of an Environmental Release at, under or on any of the Properties, if and to the extent required by Environmental Laws, it will act immediately to investigate the extent of, and to take appropriate remedial action with respect to such Environmental Release, whether or not ordered or otherwise directed to do so by any Environmental Authority.

SECTION 1.26. [Reserved].

SECTION 1.27. Transactions with Affiliates. No Loan Party nor any Subsidiary of a Loan Party (other than Structured Subsidiaries or Immaterial Subsidiaries) shall enter into, or be a party to, any transaction with any Affiliate of a Loan Party or such Subsidiary (which Affiliate is not a Loan Party or a Subsidiary of a Loan Party), except (i) as permitted by law and in the ordinary course of business and pursuant to reasonable terms which are no less favorable to the Loan Party or such Subsidiary than would be obtained in a comparable arm's length transaction with a Person which is not an Affiliate, (ii) the Subordinated Main Street Loan Agreement, (iii) [reserved], (iv) transactions

otherwise permitted under **Sections 5.11, 5.12, 5.13** and **5.17**, (v) transactions between or among the Borrower and the other Loan Parties not involving any other Affiliate, (vi) transactions described on **Schedule 4.27** (as amended, supplemented, restated or otherwise modified by notice from the Borrower to the Administrative Agent so long as (x) in the aggregate, payments by the Borrower and its Subsidiaries are not materially increased, or (y) such amendment, supplement, restatement or other modification is not materially adverse to the Lenders), (vii) any Investment that results in the creation of an Affiliate, (viii) transactions between or among the Loan Parties and any “downstream affiliate” (as such term is used under the rules promulgated under the Investment Company Act) company of a Loan Party at prices and on terms and conditions, taken as a whole, not materially less favorable to the Loan Parties than in good faith is believed could be obtained at the time on an arm’s-length basis from unrelated third parties, (ix) the payment of reasonable fees to, and indemnities and director’s and officer’s insurance provided for the benefit of, directors, managers and officers of the Adviser, the Borrower or any Subsidiary in the ordinary course of business, (x) the Borrower may issue and sell Capital Securities to its Affiliates, (xi) transactions with one or more Affiliates (including co-investments) permitted by an exemptive order granted by the SEC (as may be amended from time to time), any no action letter or as otherwise permitted by applicable law, rule or regulation and SEC staff interpretations thereof, (xii) transactions between a Subsidiary that is not a Loan Party and an Affiliate thereof that is not a Loan Party and (xiii) transactions approved by a majority of the independent members of the board of directors of the Borrower.

SECTION 1.28. Joinder of Subsidiaries.

(a) The Loan Parties shall cause any (i) Person which becomes a Domestic Subsidiary of a Loan Party (other than a Foreclosed Subsidiary, a Structured Subsidiary or an Immaterial Subsidiary) after the Sixth Amendment Effective Date, or (ii) any Structured Subsidiary which is a Domestic Subsidiary (or a non-Domestic Subsidiary in the event that Section 956(d) of the Code is repealed or modified in a manner such that no deemed distribution shall be considered to occur as a result of the non-Domestic Subsidiary being subject to this **Section 5.28(a)**) and which no longer constitutes a “Structured Subsidiary” or an “Immaterial Subsidiary”, as applicable, pursuant to the applicable definition thereof (in which case such Person shall be deemed to be a “new” Subsidiary for purposes of this **Section 5.28**), to become a party to, and agree to be bound by the terms of, this Agreement, the Security Agreement, the Pledge Agreement and the other Loan Documents pursuant to a Joinder Agreement in the form attached hereto as Exhibit I and otherwise reasonably satisfactory to the Administrative Agent in all respects and executed and delivered to the Administrative Agent within ten (10) Business Days after the day on which such Person became a Domestic Subsidiary (or such Structured Subsidiary or Immaterial Subsidiary, as applicable, no longer qualifying as such) (or such longer period as shall reasonably be agreed by the Administrative Agent). The Loan Parties shall also cause the items specified in **Section 3.01(c), (e), (g) and (h)** to be delivered to the Administrative Agent concurrently with the instrument referred to above, modified appropriately to refer to such instrument and such Subsidiary or former Structured Subsidiary or Immaterial Subsidiary, as applicable.

(b) The Loan Parties shall, or shall cause any Subsidiary (other than any Structured Subsidiary or any Immaterial Subsidiary) (the “**Pledgor Subsidiary**”) to pledge: (a) the lesser of (A) 65% of the issued and outstanding voting and non-voting Capital Securities or equivalent equity interests in or (B) the entire interest owned by the Loan Parties and such Pledgor Subsidiary of, any Person which becomes a Foreign Subsidiary (and with respect to a Structured Subsidiary, subject to the Pledge Limitations) after the Sixth Amendment Effective Date; provided, that no such pledge shall be required to the extent that it would result in the Loan Parties and the Pledgor Subsidiaries pledging, in the aggregate, more than 65% of the voting and non-voting issued and outstanding Capital Securities or equivalent equity interest in such Foreign Subsidiary; provided, further, that the immediately preceding proviso shall not apply in the event that Section 956(d) of the Code is repealed or modified in a manner such that no deemed distribution shall be considered to occur as a result of such Foreign Subsidiary being subject to this **Section 5.28(b)** and (b) the entire interest owned by the Loan Parties and such Pledgor Subsidiary, of the Capital Securities or equivalent equity interest in any Person which becomes a Domestic Subsidiary (and with respect to a Structured Subsidiary, subject to the Pledge Limitations) after the Sixth Amendment Effective

Date, all pursuant to a Joinder Agreement described above executed and delivered by the Loan Parties or such Pledgor Subsidiary to the Administrative Agent within ten (10) Business Days after the day on which such Person became a Domestic Subsidiary (other than a Structured Subsidiary or an Immaterial Subsidiary) (or such longer period as shall reasonably be agreed by the Administrative Agent) and shall deliver to the Collateral Custodian, as bailee for the Administrative Agent, such shares of capital stock (if certified) together with stock powers executed in blank. The Loan Parties shall also cause the items specified in **Section 3.01(c), (e), (g) and (h)** to be delivered to the Administrative Agent concurrently with the Joinder Agreement referred to above, modified appropriately to refer to such Joinder Agreement, the pledgor and such Subsidiary (and with respect to a Structured Subsidiary, subject to the Pledge Limitations). The Loan Parties shall, and shall cause any Pledgor Subsidiary to, ensure that each operating agreement, limited partnership agreement and any other similar agreement of its Subsidiaries (other than Foreclosed Subsidiaries) does not prohibit Administrative Agent's Lien on the Capital Securities or equivalent equity interests of such Subsidiary, foreclosure of such Lien and admission of any transferee as a member, limited partner or other applicable equity holder thereunder.

(c) Once any Subsidiary becomes a party to this Agreement in accordance with **Section 5.28(a)** or any Capital Securities (or equivalent equity interests) of a Subsidiary are pledged to the Administrative Agent in accordance with **Section 5.28(b)**, such Subsidiary thereafter shall remain a party to this Agreement and the Capital Securities (or equivalent equity interests) in such Subsidiary (including, without limitation, all initial Subsidiaries) shall remain subject to the pledge to the Administrative Agent, as the case may be, even if such Subsidiary ceases to be a Subsidiary; provided that if a Subsidiary ceases to be a Subsidiary of the Borrower as a result of the Borrower's transfer or sale of all of the Capital Securities of such Subsidiary owned by Borrower in accordance with and to the extent permitted by the terms of **Section 5.16** or **5.17**, the Administrative Agent and the Lenders agree to release such Subsidiary from this Agreement and release the Capital Securities of such Subsidiary from the Pledge Agreement.

(d) The Borrower acknowledges that the Administrative Agent and the Lenders have agreed to exclude each Structured Subsidiary and Immaterial Subsidiary as a Loan Party only for so long as such Person qualifies as a "Structured Subsidiary" or an "Immaterial Subsidiary", as applicable, pursuant to the applicable definition thereof, and thereafter such Person shall no longer constitute a "Structured Subsidiary" or an "Immaterial Subsidiary", as applicable, for any purpose of this Agreement or any other Loan Document.

SECTION 1.29. No Restrictive Agreement. No Loan Party will, nor will any Loan Party permit any of its Subsidiaries (other than Structured Subsidiaries or Immaterial Subsidiaries) to, enter into, after the Sixth Amendment Effective Date, any indenture, agreement, instrument or other arrangement (other than this Agreement, the Subordinated Main Street Loan Agreement, any Unsecured Shorter-Term Debt or Unsecured Longer-Term Debt) that, directly or indirectly, prohibits or restrains, or has the effect of prohibiting or restraining, or imposes materially adverse conditions upon, any of the following by the Loan Party or any such Subsidiary: (i) the incurrence or payment of Debt, (ii) the granting of Liens (other than normal and customary restrictions on the granting of Liens on Capital Securities issued by a Person other than a Subsidiary in respect of any Portfolio Investment made in the ordinary course of business) or (iii) the making of loans, advances or Investments or the sale, assignment, transfer or other disposition of property, real, personal or mixed or tangible. No Loan Party will, nor will any Loan Party permit any of its Subsidiaries (other than any Structured Subsidiary or Immaterial Subsidiaries) to, enter into, after the Sixth Amendment Effective Date, any indenture, agreement, instrument or other arrangement (other than this Agreement, the Subordinated Main Street Loan Agreement, any Unsecured Shorter-Term Debt or Unsecured Longer-Term Debt) that, directly or indirectly, prohibits or restrains, or has the effect of prohibiting or restraining, or imposes materially adverse conditions upon, the ability of the Loan Party or any of its Subsidiaries (other than any Structured Subsidiary or any Immaterial Subsidiary) to declare or pay Restricted Payments or other distributions in respect of Capital Securities of the Loan Party or any Subsidiary (other than any Structured Subsidiary or any Immaterial Subsidiary), except for prohibitions and restraints imposed pursuant to Debt incurred pursuant to **Section 5.31(d), (i) or (j)** of this Agreement provided that in no event shall Debt incurred pursuant to **Section 5.31(d), (i) or (j)** of this Agreement directly or indirectly,

prohibit or restrain, or have the effect of prohibiting or restraining or impose materially adverse conditions (other than prohibitions, restraints and conditions imposed by the Investment Company Act) upon the ability of any Loan Party (other than Borrower) or any of their respective Subsidiaries to declare or pay Restricted Payments or other distributions in respect of Capital Securities of the Loan Party (other than Borrower) or any Subsidiary to any other Loan Party or Subsidiary, the proceeds of which shall be used in whole or in part to repay the Obligations.

SECTION 1.30. Partnerships and Joint Ventures. No Loan Party shall become a general partner in any general or limited partnership or a joint venturer in any joint venture, except for (a) with the prior written consent of the Required Lenders and (b) Investments permitted under Section 5.13 (for the avoidance of doubt, including, without limitation, any general partnership, limited partnership or joint venture that is a Portfolio Investment).

SECTION 1.31. Additional Debt. No Loan Party or Subsidiary of a Loan Party shall directly or indirectly issue, assume, create, incur or suffer to exist any Debt or the equivalent (including obligations under capital leases), except for: (a) the Debt owed to the Lenders and Hedge Counterparties under the Loan Documents; (b) the Debt existing and outstanding on the Sixth Amendment Effective Date described on Schedule 5.31; (c) purchase money Debt hereafter incurred by the Borrower or any of its Subsidiaries to finance the purchase of equipment so long as (i) such Debt when incurred shall not exceed the purchase price of the asset(s) financed, and (ii) the aggregate outstanding principal amount of all Debt permitted under this clause (c) shall not at any time exceed \$1,000,000.00; (d) other than with respect to Immaterial Subsidiaries, convertible Debt incurred after the Closing Date with a maturity when incurred not less than one year after the Termination Date (after giving effect to any extensions of the Termination Date which have been exercised at the time of incurrence of the Debt but not giving effect to any extensions exercised after the incurrence of such Debt) and with terms no more restrictive than those in this Agreement, so long as such Debt is (i) unsecured and (ii) subject to subordination terms as are market for such Debt, including indefinite payment blockage on any payment default with respect to the Obligations (after the expiration of any cure periods) and not less than one year payment blockage on any non-payment default with respect to the Obligations (after the expiration of any cure periods); (e) Debt owing to (i) a Loan Party that is incurred as the borrower of a loan or advance permitted under Section 5.11(iii) or (ii) a direct or indirect parent of such Loan Party or Subsidiary of a Loan Party so long as such Debt is (x) unsecured and (y) subject to subordination terms reasonably satisfactory to Administrative Agent; (f) Debt of Structured Subsidiaries; provided that on the date that such Debt is incurred (for clarity, with respect to revolving loan facilities or staged advance loan facilities, "incurrence" shall be deemed to take place at the time such facility is entered into, and not upon each borrowing thereunder) the Borrower is in pro forma compliance with each of the covenants for which compliance must be regularly certified pursuant to Section 5.01(c) after giving effect to the incurrence thereof and on the date of such incurrence Borrower delivers to the Administrative Agent a certificate of a Responsible Officer to such effect; (g) the Subordinated Main Street Debt; (h) obligations (including Guarantees) in respect of Standard Securitization Undertakings; (i) other than with respect to Immaterial Subsidiaries, Unsecured Longer-Term Debt, so long as (i) no Default exists at the time of the incurrence, refinancing or replacement thereof (or immediately after the incurrence, refinancing or replacement thereof) and (y) prior to and immediately after giving effect to the incurrence, refinancing or replacement thereof, the Borrower is in pro forma compliance with each of the covenants set forth in Sections 5.04, 5.07 and 5.10; and (j) other than with respect to Immaterial Subsidiaries, Unsecured Shorter-Term Debt in an aggregate principal amount that, taken together with other Debt of the Borrower, will not result in the Covered Debt Amount, at the time it is incurred, exceeding the Borrowing Base, so long as no Default or Event of Default shall have occurred or be continuing after giving effect to the incurrence of such Unsecured Shorter-Term Debt; provided that in no event shall the aggregate principal amount of Unsecured Shorter-Term Debt exceed an amount equal to \$50,000,000 incurred pursuant to this Section 5.31(j) on or after the Sixth Amendment Effective Date. For the avoidance of doubt, any Debt incurred or refinanced after the Closing Date shall not be deemed to be in violation of clause (d) as a result of (i) extensions to the Termination Date or the Final Maturity Date effective after the original incurrence or refinance of such Debt or (ii) the inclusion of terms that relate to the Borrower's compliance with any provisions of or amendments to the Investment Company Act (whether or not the Investment Company Act applies to such Debt).

SECTION 1.32. Post-closing Action. Not later than 90 days after the Sixth Amendment Effective Date (or such later date as the Administrative Agent may reasonably agree), HMS Funding I LLC shall deliver a Custodial Agreement with respect to its account number 104791304165, FFC 172148 with U.S. Bank, N.A. All representations and warranties contained in this Agreement and the other Loan Documents shall be deemed modified (or waived on a limited basis) to the extent necessary to give effect to the foregoing (and to permit the taking of the action described above within the time period specified thereon), and, to the extent any provision of this Agreement or any other Loan Document would be violated or breached (or any non-compliance with any such provision would result in a Default or Event of Default hereunder) as a result of any such extended deadline, such provision shall be deemed modified (or waived on a limited basis) to the extent necessary to give effect to this **Section 5.32**.

SECTION 1.01. Modifications of Organizational Documents. The Borrower shall not, and shall not permit any Loan Party or other Subsidiary to, amend, supplement, restate or otherwise modify its Organizational Documents or Operating Documents or other applicable document if such amendment, supplement, restatement or other modification has or would reasonably be expected to have a Material Adverse Effect.

SECTION 1.02. ERISA Exemptions. The Loan Parties shall not permit any of their respective assets to become or be deemed to be “plan assets” within the meaning of ERISA, the Code and the respective regulations promulgated thereunder.

SECTION 1.03. Hedge Transactions. The Loan Parties will not, and will not permit any of their Subsidiaries (other than Structured Subsidiaries or Immaterial Subsidiaries) to, enter into any Hedge Transaction, other than Hedge Transactions entered into in the ordinary course of business to hedge or mitigate risks to which the Loan Parties are exposed in the conduct of their business or the management of their liabilities. Solely for the avoidance of doubt, the Borrower acknowledges that a Hedge Transaction entered into for speculative purposes or of a speculative nature (which shall be deemed to include any Hedge Transaction under which any Loan Party is or may become obliged to make any payment (i) in connection with the purchase by any third party of any common stock or any Debt or (ii) as a result of changes in the market value of any common stock or any Debt) is not a Hedge Transaction entered into in the ordinary course of business to hedge or mitigate risks.

SECTION 1.04. [Reserved].

SECTION 1.05. Operating Leases. No Loan Party nor any Subsidiary of a Loan Party shall create, assume or suffer to exist any operating lease except operating leases which: (A) (1) are entered into in the ordinary course of business, and (2) the aggregate indebtedness, liabilities and obligations of the Loan Parties under all such operating leases during any period of four (4) consecutive Fiscal Quarters shall at no time exceed \$500,000; (B) are between a Borrower or Guarantor, as landlord and a Borrower or Guarantor as tenant; or (C) are set forth on **Schedule 5.37**.

SECTION 1.06. Amendment of Certain Debt. The Borrower shall not amend, restate, supplement or otherwise modify (including, without limitation pursuant to a waiver) any provision of any document governing or relating to any Debt permitted under **Section 5.31(j)** in a manner resulting in such Debt not meeting the requirements of **Section 5.31(j)**.

SECTION 1.07. Compliance with Investment Policies. The Borrower shall, and shall cause its Subsidiaries (other than Structured Subsidiaries) to, comply at all times with its Investment Policies in all material respects. The Borrower shall furnish to the Administrative Agent, prompt notice of any changes in the Investment Policies and shall not agree to or otherwise permit to occur any modification of the Investment Policies in any manner that would or would reasonably be expected to materially adversely affect the interests or remedies of the Administrative Agent or the Secured Parties under this Agreement or any Loan Document, in each case, other than a Permitted Policy Amendment.

SECTION 1.08. Delivery of Collateral to Collateral Custodian. Subject to Section 5.32 and as soon as reasonably practical after making a Portfolio Investment but in no event

greater than within sixty (60) days, the Borrower shall deliver possession of all “instruments” (within the meaning of Article 9 of the UCC) not constituting part of “chattel paper” (within the meaning of Article 9 of the UCC) that evidence any Investment, including all original promissory notes, and certificated securities to the Administrative Agent for the benefit of the Secured Parties, or to a Collateral Custodian on its behalf, indorsed in blank without recourse and transfer powers executed in blank, as applicable; provided, however, that notwithstanding the foregoing, with respect to any Pre-Positioned Investment, the Borrower shall have a copy of the executed note, if any, evidencing such Pre-Positioned Investment and any certificates representing Capital Securities pledged in connection with such Pre-Positioned Investment faxed to a Collateral Custodian on the applicable date of Borrowing or Swing Borrowing with the original to be received by such Collateral Custodian within five (5) Business Days after such date of Borrowing or Swing Borrowing; provided that, prior to delivery thereof, such original is held in the custody of a bailee that has delivered a valid, binding and effective Bailee Agreement to the Administrative Agent.

SECTION 1.09. Custody Agreements. The Borrower shall not permit any Loan Party to enter into any custody agreement or equivalent arrangement with any person to hold securities, cash or other assets of any Loan Party unless the Person acting as custodian shall have delivered a Custodial Agreement and, if requested by the Administrative Agent, a control agreement, to the Administrative Agent (in each case in form and substance satisfactory to the Administrative Agent). Each Loan Party agrees that it shall not amend, modify or supplement any Custodial Agreement without the prior, written approval of the Administrative Agent, and the Borrower shall immediately deliver true and complete copies of such amendment, modification or supplement to Administrative Agent and its counsel.

SECTION 1.10. Adviser Information Reports. The Borrower shall deliver to the Administrative Agent any and all periodic and special reports required by Sections 4(b)(i) and 4(b)(ii) of the Advisory Agreement, immediately upon receipt of such reports from Adviser, to the extent such reports are not publicly filed.

SECTION 1.11. Notice of Adviser Events and Certain Breaches.

(a) The Borrower will, upon receipt of notice or discovery thereof, promptly send to the Administrative Agent written notice of (i) any material breach of any representation, warranty, agreement or covenant under the Advisory Agreement or any occurrence of an event for which the Adviser may terminate the Advisory Agreement for cause, (ii) [reserved], (iii) any event or occurrence that, upon notice, or upon the passage of time or both, would constitute such a material breach or event described in clauses (i) and (ii), in each case, promptly upon learning thereof, and (iv) the occurrence of each Adviser Event. In addition, no later than five Business Days following the Borrower’s discovery or notice of the occurrence of any of the events described in clauses (i)-(iii), the Borrower will provide to the Administrative Agent a written statement of the chief financial officer, controller, or chief executive officer of the Borrower setting forth the details of such event and the action that the Borrower proposes to take with respect thereto.

(b) Upon Borrower’s discovery or receipt of notice that the Advisory Agreement may be terminated, the Borrower shall give immediate notice of such potential termination to the Administrative Agent. If the Borrower elects to terminate the Advisory Agreement, the Borrower shall, subject to the approval of the Borrower’s board of directors and stockholders and the consent of the Administrative Agent, such consent not to be unreasonably withheld, conditioned or delayed, (i) identify a successor Adviser, and (ii) engage such successor Adviser in accordance with applicable Law and the Borrower’s Organizational Documents to perform obligations similar to those performed by the Adviser under the Advisory Agreement.

SECTION 1.12. Custodial Agreements. Borrower (a) shall promptly provide to Adviser true and correct copies of each Custodial Agreement, including any amendments, modifications, supplements or replacements thereof, and (b) shall cause Adviser to comply in all material respects with all terms and conditions of the Control Agreement and any other Custodial Agreement.

SECTION 1.13. Amendments, Waivers, and Termination of the Advisory Agreement. Borrower shall not make any material amendment, waiver or other modification of any provision of the Advisory Agreement without the written agreement of the Administrative Agent.

SECTION 1.14. Anti-Hoarding of Assets at Structured Subsidiaries. If any Structured Subsidiary is not prohibited by any law, rule or regulation or by any contract or agreement relating to Debt from distributing all or any portion of its assets to a Loan Party, then such Structured Subsidiary shall, if a Significant Unsecured Indebtedness Event has occurred and is continuing, distribute to a Loan Party the amount of assets held by such Structured Subsidiary that such Structured Subsidiary is permitted to distribute and that, in the good faith judgment of the Borrower, such Structured Subsidiary does not reasonably expect to utilize, in the ordinary course of business, to obtain or maintain a financing from an unaffiliated third party; provided, further, however, that if a Significant Unsecured Indebtedness Event has occurred and is continuing and the value of the assets owned by such Structured Subsidiary significantly exceeds the amount of Debt of such Structured Subsidiary, even if such Structured Subsidiary is prohibited by any contract or agreement relating to Debt from distributing all or any portion of its assets to a Loan Party, the Borrower shall use its commercially reasonable efforts to take such action as is necessary to cause such Structured Subsidiary to become a Loan Party or distribute assets to a Loan Party in an amount equal to the amount of assets held by such Structured Subsidiary that, in the good faith judgment of the Borrower, such Structured Subsidiary does not reasonably expect to utilize, in the ordinary course of business, to obtain or maintain a financing from an unaffiliated third party.

SECTION 1.15. Subordinated Main Street Loan Agreement. Borrower shall not amend, restate, supplement or otherwise modify (including without limitation pursuant to a waiver) any provision of (i) Sections 1 (Loan), 2 (Interest), 3(a)-(c) (Repayment) or 22 (Subordination) of the Subordinated Main Street Loan Agreement, or the definition of "Maturity Date" therein, or (ii) any other terms and/or conditions of the Subordinated Main Street Loan Agreement, in each case (with respect to this clause (ii)), in a manner materially adverse to the interests of the Lenders. Subordinated Main Street Lender and Borrower shall comply in all respects with Sections 3(a)-(c) (Repayment) and 22 (Subordination) of the Subordinated Main Street Loan Agreement. Notwithstanding anything to the contrary contained herein, the Subordinated Main Street Loan Agreement may be refinanced or otherwise repaid with Debt permitted under Section 5.31(i) or (j), or with the proceeds of any issuance of Capital Securities.

SECTION 1.16. Subordinated Main Street Second Upfront Fee. Borrower shall not make any payment of the Subordinated Main Street Second Upfront Fee unless the Subordinated Main Street Debt Payment Conditions shall have been satisfied both immediately before and after giving effect to such payment.

ARTICLE VI DEFAULTS

SECTION 1.01. Events of Default. If one or more of the following events ("**Events of Default**") shall have occurred and be continuing:

(a) the Borrower shall fail to pay when due and payable any principal of any Advance (including, without limitation, any Advance or portion thereof to be repaid pursuant to **Section 2.11**) or shall fail to pay any interest on any Advance within three Business Days after such interest shall become due and payable, or any Loan Party shall fail to pay any fee or other amount payable hereunder within three Business Days after such fee or other amount becomes due and payable; or

(b) any Loan Party shall fail to observe or perform any covenant contained in **Section 2.11(c), 5.01(e) and (i), 5.02(ii) and (iii), 5.03, 5.04, 5.05, 5.06, 5.07, 5.08, 5.09, 5.10, 5.12, 5.13, 5.14, 5.16, 5.17, 5.18, 5.29, 5.31, 5.33, 5.34, 5.38, 5.41, 5.44, 5.46, and 5.47**; or

(c) any Loan Party shall fail to observe or perform any covenant or agreement contained or incorporated by reference in this Agreement (other than those covered by clause (a) or (b) above or clauses (n) or (q) below) or any other Loan Document; provided that such failure continues for (1) ten (10) days in the case of **Section 5.01**, **Section 5.11** or **5.27** or (2) otherwise, thirty days, in each case after the earlier of (A) the first day on which any Loan Party has knowledge of such failure or (B) written notice thereof has been given to the Borrower by the Administrative Agent at the request of any Lender; it being acknowledged and agreed that a failure of a Loan Party to deliver any particular Collateral to the extent required by **Section 5.40** shall result in such Collateral not being included in the Borrowing Base but shall not (in and of itself) be, or result in, a Default or an Event of Default; or

(d) any representation, warranty, certification or statement made or deemed made by the Loan Parties in **Article IV** of this Agreement, any other Loan Document or in any financial statement, material certificate or other material document or report delivered pursuant to any Loan Document shall prove to have been untrue or misleading in any material respect when made (or deemed made); or

(e) any Loan Party or any Subsidiary of a Loan Party shall fail to make any payment in respect of Debt (other than the Notes) having an aggregate principal amount in excess of \$5,000,000.00, when the same shall become due and payable, after expiration of any applicable cure or grace period; or

(f) (i) any Event of Default (as defined in the Subordinated Main Street Loan Agreement) under the Subordinated Main Street Loan Agreement shall occur or (ii) any event or condition shall occur which results in the acceleration of the maturity of Debt outstanding of any Loan Party or any Subsidiary of a Loan Party in an aggregate principal amount in excess of \$5,000,000.00 or the mandatory prepayment or purchase of such Debt by any Loan Party (or its designee) or such Subsidiary of a Loan Party (or its designee) prior to the scheduled maturity thereof, or enables (or, with the giving of notice or lapse of time or both, would enable) the holders of such Debt or commitment to provide such Debt or any Person acting on such holders' behalf, as a result of an event of default under such Debt, to accelerate the maturity thereof, terminate any such commitment or require the mandatory prepayment or purchase thereof prior to the scheduled maturity thereof (for the avoidance of doubt, after giving effect to any applicable grace period), unless, in the case of this clause (ii), such event or condition is no longer continuing or has been waived in accordance with the terms of such Debt such that the holder or holders thereof or any trustee or agent on its or their behalf are no longer enabled or permitted to cause such Debt to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided that this clause (f) shall not apply to (x) secured Debt that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Debt; or (y) convertible debt or investment grade debt that becomes due as a result of a conversion or redemption event, other than to the extent it becomes due or is paid in cash (other than interest, expenses or fractional shares, which may be paid in cash in accordance with conversion provisions of convertible indebtedness) as a result of an "event of default", "fundamental change" or "change of control repurchase event" (each as defined in the documents governing such Debt); or

(g) any Loan Party or any Subsidiary of a Loan Party shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, administrator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally, or shall admit in writing its inability, to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing; or

(h) an involuntary case or other proceeding shall be commenced against any Loan Party or any Subsidiary of a Loan Party (other than an Immaterial Subsidiary) seeking liquidation,

reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, administrator, custodian or other similar official of it or any substantial part of its property, and, in any such case, such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 60 days; or an order for relief shall be entered against any Loan Party or any Subsidiary of a Loan Party (other than an Immaterial Subsidiary) under the federal bankruptcy laws as now or hereafter in effect; or

(i) any Loan Party or any member of the Controlled Group shall fail to pay when due any material amount which it shall have become liable to pay to the PBGC or to a Plan under Title IV of ERISA; or notice of intent to terminate a Plan or Plans shall be filed under Title IV of ERISA by any Loan Party, any member of the Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any such Plan or Plans or a proceeding shall be instituted by a fiduciary of any such Plan or Plans to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within 30 days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any such Plan or Plans must be terminated; or

(j) one or more judgments or orders for the payment of money in an aggregate amount in excess of \$5,000,000.00 (after taking into account the application of insurance proceeds) shall be rendered against any Loan Party or any Subsidiary of a Loan Party (other than an Immaterial Subsidiary) and such judgment or order shall continue undischarged, unvacated, unsatisfied and unstayed for a period of 30 consecutive days; or

(k) a federal tax lien shall be filed against any Loan Party or any Subsidiary of a Loan Party under Section 6323 of the Code or a lien of the PBGC shall be filed against any Loan Party or any Subsidiary of a Loan Party under Section 4068 of ERISA and in either case such lien shall remain undischarged for a period of 30 days after the date of filing; or

(l) a Change in Control shall occur; or

(m) the Administrative Agent, as agent for the Secured Parties, shall fail for any reason to have a valid first priority security interest in (i) any of the Collateral having an aggregate Value in excess of 5% of the aggregate Value of all Portfolio Investments or (ii) any portion of the Collateral for a period of greater than ninety (90) days after the Borrower becomes aware of such failure in the aggregate (in each case, other than Permitted Encumbrances or by reason of any act or omission solely on behalf of the Administrative Agent); or

(n) a default or event of default shall occur and be continuing under any of the Collateral Documents or any Loan Party shall fail to observe or perform any material obligation to be observed or performed by it under any Collateral Document, and such default, event of default or failure to perform or observe any obligation continues beyond any applicable cure or grace period provided in such Collateral Document; or

(o) a default or event of default shall occur and be continuing under any of the Material Contracts that would reasonably be likely to have a Material Adverse Effect or any Loan Party shall fail to observe or perform any material provision or any payment obligation to be observed or performed by it under any Material Contract, and such default, event of default or failure to perform or observe any such provision or obligation continues beyond any applicable cure or grace period provided in such Material Contract; or

(p) (i) any of the Guarantors shall fail to pay when due and payable any Guaranteed Obligations (after giving effect to any applicable grace period) or shall fail to pay any fee or other amount payable hereunder when due; or (ii) except for release, expiration or termination in accordance with the terms of this Agreement, any Guarantor shall disaffirm, contest or deny its obligations under **Article X**; or

(q) if the Borrower at any time fails to own (directly or indirectly, through Wholly Owned Subsidiaries) 100% of the outstanding shares of the voting stock, voting membership interests or equivalent equity interests of each Guarantor; or

(r) except for release, expiration or termination in accordance with its terms, any Loan Party shall (or shall attempt to) disaffirm, contest or deny its obligations under any Loan Document or, except for expiration or termination in accordance with its terms, any material provision of any Loan Document for any reason ceases to be valid, binding and enforceable in accordance with its terms; or

(s) a Collateral Custodian that is in the possession of any Collateral (1) shall (or shall attempt to) disaffirm, contest or deny its obligations under, or terminates or attempts to terminate, or is in default of its obligations under, a Custodial Agreement or (2) ceases in any respect to be acceptable to the Administrative Agent in its reasonable discretion and, in each case, such Collateral Custodian is not replaced by, and any Collateral held by such Collateral Custodian is not delivered to, a replacement Collateral Custodian satisfactory to the Administrative Agent within 60 days after (A) the first date of such occurrence, in the case of clause (1) or (B) the date written notice thereof has been given to the Borrower by the Administrative Agent, in the case of clause (2); or

(t) the Advisory Agreement is terminated without the prior written consent of the Required Lenders; or

(u) the Borrower agrees or consents to, or otherwise permits any amendment, modification, change, supplement or rescission of or to the Investment Policies (other than a Permitted Policy Amendment) in whole or in part that has or would reasonably be expected to materially adversely affect the interests or remedies of the Administrative Agent or the Secured Parties under this Agreement or any Loan Document or materially impair the collectability of any Portfolio Investment without the prior written consent of the Administrative Agent;

(v) any two (2) of Dwayne Hyzak, David Magdol, Jesse Morris or Jason Beauvais, shall cease to be involved in the daily operations of the Borrower, unless any such person shall have been replaced with an individual, reasonably satisfactory to the Administrative Agent, not more than ninety (90) days after such person shall have ceased such involvement; or

(w) the occurrence of any event, act or condition which the Required Lenders determine either does or has a reasonable probability of causing a Material Adverse Effect,

then, and in every such event, the Administrative Agent shall, in its sole discretion or if requested by the Required Lenders, by written notice to the Borrower (i) terminate the Revolver Commitments and they shall thereupon terminate and (ii) declare the Notes (together with accrued interest thereon) and all other amounts payable hereunder and under the other Loan Documents to be, and the Notes (together with all accrued interest thereon) and all other amounts payable hereunder and under the other Loan Documents shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Loan Parties; provided that if any Event of Default specified in clause (g) or (h) above occurs with respect to any Loan Party or any Subsidiary of a Loan Party, without any notice to any Loan Party or any other act by the Administrative Agent or the Lenders, the Revolver Commitments shall thereupon automatically terminate and the Notes (together with accrued interest thereon) and all other amounts payable hereunder and under the other Loan Documents shall automatically become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Loan Parties. Notwithstanding the foregoing, the Administrative Agent shall have available to it all rights and remedies provided under the Loan Documents (including, without limitation, the rights of a secured party pursuant to the Collateral Documents) and in addition thereto, all other rights and remedies at law or equity, and the Administrative Agent shall exercise any one or all of them at the request of the Required Lenders.

SECTION 1.02. Notice of Default. The Administrative Agent shall give written notice to the Borrower of any Default under **Section 6.01(c)** promptly upon being requested to do so by any Lender and shall thereupon notify all the Lenders thereof.

SECTION 1.03. [Intentionally omitted.]

SECTION 1.04. Allocation of Proceeds. If an Event of Default has occurred and not been waived, and the maturity of the Notes has been accelerated pursuant to Article VI hereof, all payments received by the Administrative Agent hereunder or under the other Loan Documents, in respect of any principal of or interest on the Obligations or any other amounts payable by the Borrower or any other Loan Party hereunder or under the other Loan Documents, shall be applied by the Administrative Agent in the following order:

(a) To payment of that portion of the Obligations constituting fees, indemnities, Credit Party Expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under **Article VIII** and **Section 2.12**) payable to the Administrative Agent in its capacity as such; and then

(b) To payment of that portion of the Obligations constituting indemnities, Credit Party Expenses and other amounts (other than principal, interest and fees) payable to the Lenders (including fees, charges and disbursements of counsel to the respective Lenders and amounts payable under **Article VIII** and **Section 2.12**), ratably among them in proportion to the amounts described in this clause payable to them; and then

(c) To payment of that portion of the Obligations constituting accrued and unpaid interest on the Advances and other Obligations, and fees (including unused commitment fees), ratably among the Lenders in proportion to the respective amounts described in this clause payable to them; and then

(d) To payment of that portion of the Obligations constituting unpaid principal of the Swing Advances; and then

(e) To payment of that portion of the Obligations constituting unpaid principal of the Revolver Advances, ratably among the Lenders in proportion to the respective amounts described in this clause held by them; and then

(f) To payment of all other Obligations (excluding any Obligations arising from Cash Management Services and Bank Products), ratably among the Secured Parties in proportion to the respective amounts described in this clause held by them; and then

(g) To payment of all other Obligations arising from Bank Products and Cash Management Services to the extent secured under the Collateral Documents, ratably among the Secured Parties in proportion to the respective amounts described in this clause held by them; and then

(h) The balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by law;

provided, that Excluded Swap Obligations with respect to any Guarantor shall not be paid with amounts received from such Guarantor or its assets, but appropriate adjustments shall be made with respect to payment from other Loan Parties to preserve the Obligations otherwise set forth above in this **Section 6.04**.

ARTICLE VII
THE ADMINISTRATIVE AGENT

SECTION 1.01. Appointment and Authority. Each of the Lenders hereby irrevocably appoints TIAA to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions.

SECTION 1.02. Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "**Lender**" or "**Lenders**" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders

SECTION 1.03. Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

- (a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;
- (b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law; and
- (c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable to any Lender for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 9.05 and 6.01) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by the Borrower or a Lender.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition

set forth in **Article III** or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

SECTION 1.04. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of an Advance that by its terms must be fulfilled to the satisfaction of a Lender the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Advance. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION 1.05. Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agent.

SECTION 1.06. Resignation of Administrative Agent. The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States of America, or an Affiliate of any such bank with an office in the United States of America. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above provided that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in this paragraph. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this paragraph). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article and Section 9.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

SECTION 1.07. Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 1.08. Erroneous Payments.

(a) If the Administrative Agent notifies a Lender or any Person who has received funds under a Collateral Document on behalf of a Lender (any such Lender or other recipient, a "Payment Recipient") that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under Section 7.08(b)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the second Business Day after the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this Section 7.08(a) shall be conclusive, absent manifest error.

(b) Without limiting the immediately preceding Section 7.08(a), each Payment Recipient, or any Person who has received funds on behalf of a Payment Recipient under a Collateral Document, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Payment Recipient, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Payment Recipient shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable

detail) and that it is so notifying the Administrative Agent pursuant to this Section 7.08(b).

(c) Each Lender hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender under any Collateral Document, or otherwise payable or distributable by the Administrative Agent to such Lender from any source, against any amount due to the Administrative Agent under Section 7.08(a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with Section 7.08(a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon the Administrative Agent's notice to such Lender at any time, (i) such Lender shall be deemed to have assigned its Advances (but not its Commitments) in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Advances (but not Commitments), the "Erroneous Payment Deficiency Assignment") at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any Notes evidencing such Advances to the Borrower or the Administrative Agent, (ii) the Administrative Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender and (iv) the Administrative Agent may reflect in the Register its ownership interest in the Advances subject to the Erroneous Payment Deficiency Assignment. The Administrative Agent may, in its discretion, sell any Advances acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Advance (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold an Advance (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Lender or Secured Party under the Collateral Documents with respect to each Erroneous Payment Return Deficiency (the "Erroneous Payment Subrogation Rights").

(e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent or applicable Payment Recipient from the Borrower or any other Loan Party for the purpose of making payment in respect of the Obligations.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

(g) Each party's obligations, agreements and waivers under this Section 7.08 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Collateral Document.

SECTION 1.09. Other Agents. The Borrower and each Lender hereby acknowledges that any Lender designated as an "Agent" on the signature pages hereof (other than the Administrative Agent) shall not have any obligations, duties or liabilities hereunder other than in its capacity as a Lender.

SECTION 1.10. Hedging Agreements, Cash Management Services and Bank Products. Except as otherwise expressly set forth herein or in any Collateral Document, no Bank Product Bank, Cash Management Bank or Hedge Counterparty that obtains the guarantees hereunder or any Collateral by virtue of the provisions hereof or of any Collateral Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) or any Guaranty (including the release or impairment of any Guaranty) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article VII to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under or related to Cash Management Services, Bank Products and Hedging Agreements unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank, Bank Product Bank or Hedge Counterparty, as the case may be.

ARTICLE VIII CHANGE IN CIRCUMSTANCES; COMPENSATION

SECTION 1.01. LIBOR Provisions~~Inability to Determine Rates; Benchmark Replacement Setting~~.

(a) Subject to clauses (b), (c), (d), (e); ~~and (f) and (g)~~ of this Section 8.01, if, on or prior to the commencement first day of any Interest Period ~~or, in the case of the LIBO Rate, on any day during such Interest Period~~ for any Euro-Dollar Advance:

(i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that ~~adequate and reasonable means do not exist for ascertaining the applicable Benchmark (including because any screen rate necessary to determine such rate is not available or published on a current basis), for such Interest Period (or for such day); provided that no Benchmark Transition Event shall have occurred at such time with respect to such Benchmark; or~~ "Adjusted Term SOFR" cannot be determined pursuant to the definition thereof, or

(ii) the Administrative Agent is advised by ~~any Lender(s) that the applicable Benchmark for such Interest Period (or for such day) will~~ the Required Lenders that for any reason in connection with any request for a Euro-Dollar Advance or a conversion thereto or a continuation thereof that Adjusted Term SOFR for any requested Interest Period with respect to a proposed Euro-Dollar Advance does not adequately and fairly reflect the cost to such Lenders ~~(or Lender) of making or~~ and maintaining ~~their Loan(s) for such Interest Period (or for such day); such Advance, and the Required Lenders have provided notice of such determination to the Administrative Agent.~~

~~then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone, telecopy or electronic mail as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the and the Lenders that the circumstances giving rise to such notice no longer exist, the interest rate applicable to Loans that would otherwise be funded or maintained based on the applicable Benchmark shall be the ABR.~~

then, in each case, 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 Euro-Dollar Advances, and any right of the Borrower to continue Euro-Dollar Advances or to convert ABR Advances to Euro-Dollar Advances, shall be suspended (to the extent of the affected Euro-Dollar Advances or affected Interest Periods) until the Administrative Agent revokes such notice. Upon receipt of such notice, (i) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of Euro-Dollar Advances (to the extent of the affected Euro-Dollar Advances or affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Advances in the amount specified therein and (ii) any outstanding affected Euro-Dollar Advances will be deemed to have been converted into ABR Advances at the end of the applicable Interest Period. Upon any such conversion, the Borrower shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Section 8.05. Subject to clauses (b) through (f) of this Section 8.01, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that "Adjusted Term SOFR" cannot be determined pursuant to the definition thereof on any given day, the interest rate on ABR Advances shall be determined by the Administrative Agent without reference to clause (iii) of the definition of "ABR" until the Administrative Agent revokes such determination.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document (and any Hedging Agreement shall be deemed not to be a "Loan Document" for purposes of this Section 8.01), if a Benchmark Transition Event, ~~Term SOFR Transition Event or an Early Opt-in Election, as applicable;~~ and its related Benchmark Replacement Date have occurred prior to ~~the Reference Time in respect of~~ any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) ~~or (2)~~ of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and the definition of "Adjusted Term SOFR" shall be deemed modified to delete the addition of Term SOFR Adjustment to Term SOFR for any calculation and (y) if a Benchmark Replacement is determined in accordance with clause (3) ~~2~~ of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 ~~P.M.p.m.~~ (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

~~(c) Notwithstanding anything to the contrary herein or in any other Loan Document and subject to the proviso below in this paragraph, if an Term SOFR Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; provided that this clause (c) shall not be effective unless the Administrative Agent has delivered to the Lenders and the Borrower a Term SOFR Notice.~~

~~(d)~~ In connection with the use, administration, adoption or implementation of a Benchmark Replacement, 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 Loan 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 Loan Document.

⁸ ~~(e)~~ The Administrative Agent will promptly notify the Borrower and the Lenders of (i) ~~any occurrence of a Benchmark Transition Event, Term SOFR Transition Event or an Early Opt-in~~

~~Election, as applicable, and its related Benchmark Replacement Date, (ii) the~~ the implementation of any Benchmark Replacement; ~~and (iii) the effectiveness of any Benchmark Replacement-Conforming Changes, (iv) in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will notify the Borrower of (x)~~ the removal or reinstatement of any tenor of a Benchmark pursuant to ~~clause Section 8.01(f) below and (v)~~ Section 8.01(f) below and ~~(y)~~ (x) the commencement ~~or conclusion~~ of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this clause (d) and clauses (b), (c) and (f) of this Section 8.01, including any determination with respect to a tenor, rate or adjustment or of the occurrence or ~~nonoccurrence~~ non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 8.01.

(~~f~~) (e) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR ~~or the LIBO~~ 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 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 ~~be no longer~~ not be representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or ~~nonrepresentative~~ non-representative 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 ~~no longer~~ not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

⁹ (~~g~~) (f) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, (i) the Borrower may revoke any request for a Euro-Dollar Advance of, conversion to or continuation of Euro-Dollar Advances 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 ABR Advances and (ii) any outstanding affected Euro-Dollar Advances will be deemed to have been converted to ABR Advances at the end of the applicable Interest Period. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

~~(h) The Administrative Agent and the Borrower do not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of "LIBO Rate" or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate, as it may or may not be adjusted pursuant to this Section 8.01, will be similar to, or produce the same value or economic equivalence of, LIBO Rate or have the same volume or liquidity as did the London interbank offered rate or other rates in the definition of "LIBO Rate" prior to its discontinuance or unavailability.~~

SECTION 1.02. Illegality. If, after the Sixth Amendment Effective Date, a Change in Law shall make it unlawful or impossible for any Lender (or its Lending Office) to make, maintain or fund its Euro-Dollar Advances and such Lender shall so notify the Administrative Agent, the Administrative Agent shall forthwith give written notice thereof to the other Lenders and the Borrower, whereupon until such Lender notifies the Borrower and the Administrative Agent that the circumstances giving rise to such suspension no longer exist, the obligation of such Lender to make or permit

continuations or conversions of Euro-Dollar Advances shall be suspended. Before giving any notice to the Administrative Agent pursuant to this Section, such Lender shall designate a different Lending Office if such designation will avoid the need for giving such notice and will not, in the judgment of such Lender, be otherwise disadvantageous to such Lender. If such Lender shall determine that it may not lawfully continue to maintain and fund any of its portion of the outstanding Euro-Dollar Advances to maturity and shall so specify in such notice, the Borrower shall immediately prepay in full the then outstanding principal amount of the Euro-Dollar Advances of such Lender, together with accrued interest thereon and any amount due such Lender pursuant to **Section 8.05**. Concurrently with prepaying such Euro-Dollar Advances, the Borrower shall borrow an ABR Advance in an equal principal amount from such Lender (on which interest and principal shall be payable contemporaneously with the related Euro-Dollar Advances of the other Lenders), and such Lender shall make such an ABR Advance.

SECTION 1.03. Increased Cost and Reduced Return.

(a) If after the Sixth Amendment Effective Date, a Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender with respect to this Agreement;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender ~~or the London interbank market~~ any other condition, cost or expense affecting this Agreement or Euro-Dollar Advances by such Lender or participation therein;

and the result of any of the foregoing is to increase the cost to such Lender of making or maintaining any Euro-Dollar Advance (or of maintaining its obligation to make any such Advance), or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount) then, upon written request of such Lender, the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(a) If any Lender determines that any Change in Law affecting such Lender or any Lending Office of such Lender or such Lender's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Revolver Commitments of such Lender or the Advances made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(b) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(c) Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation,

provided that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than six months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the six-month period referred to above shall be extended to include the period of retroactive effect thereof).

SECTION 1.04. ABR Advances Substituted for Affected Euro-Dollar Advances. If (i) the obligation of any Lender to make or maintain a Euro-Dollar Advance has been suspended pursuant to **Section 8.02** or (ii) any Lender has demanded compensation under **Section 8.03**, and the Borrower shall, by at least five (5) ~~Euro-Dollar~~U.S. Government Securities Business Days' prior notice to such Lender through the Administrative Agent, have elected that the provisions of this Section shall apply to such Lender, then, unless and until such Lender notifies the Borrower that the circumstances giving rise to such suspension or demand for compensation no longer apply:

(a) all Advances which would otherwise be made by such Lender as or permitted to be continued as or converted into Euro-Dollar Advances shall instead be made as or converted into ABR Advances, (in all cases interest and principal on such Advances shall be payable contemporaneously with the related Euro-Dollar Advances of the other Lenders), and

(b) after its portion of the Euro-Dollar Advance has been repaid, all payments of principal which would otherwise be applied to repay such Euro-Dollar Advance shall be applied to repay its ABR Advance instead.

In the event that the Borrower shall elect that the provisions of this Section shall apply to any Lender, the Borrower shall remain liable for, and shall pay to such Lender as provided herein, all amounts due such Lender under **Section 8.03** in respect of the period preceding the date of conversion of such Lender's portion of any Advance resulting from the Borrower's election.

SECTION 1.05. Compensation. Upon the request of any Lender, delivered to the Borrower and the Administrative Agent, the Borrower shall pay to such Lender such amount or amounts as shall compensate such Lender for any loss, cost or expense incurred by such Lender as a result of:

(a) any payment or prepayment (pursuant to **Sections 2.10, 2.11, 6.01, 8.02** or otherwise) of a Euro-Dollar Advance on a date other than the last day of an Interest Period for such Advance; or

(b) any failure by the Borrower to prepay a Euro-Dollar Advance on the date for such prepayment specified in the relevant notice of prepayment hereunder; or

(c) any failure by the Borrower to borrow a Euro-Dollar Advance on the date for the Borrowing of which such Euro-Dollar Advance is a part specified on the Restatement Date;

such compensation to include, without limitation, an amount equal to the excess, if any, of (x) the amount of interest which would have accrued on the amount so paid or prepaid or not prepaid or borrowed for the period from the date of such payment, prepayment or failure to prepay or borrow to the last day of the then current Interest Period for such Euro-Dollar Advance (or, in the case of a failure to prepay or borrow, the Interest Period for such Euro-Dollar Advance which would have commenced on the date of such failure to prepay or borrow) at the applicable rate of interest for such Euro-Dollar Advance provided for herein over (y) the amount of interest (as reasonably determined by such Lender) such Lender would have paid on deposits in Dollars of comparable amounts having terms comparable to such period placed with it by leading lenders ~~in the London interbank market~~ (if such Advance is a Euro-Dollar Advance).

ARTICLE IX
MISCELLANEOUS

SECTION 1.01. Notices Generally.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows:

(i) if to the Borrower or any other Loan Party, to it at 1300 Post Oak Boulevard, 8th Floor, Houston, Texas 77056, Attention of Cory Gilbert;

(ii) if to the Administrative Agent, to TIAA, FSB, at its address set forth on its signature page hereof, Attention of John Dale; Facsimile No. (201) 770-4762; Telephone No. (856) 505-8163;

(iii) if to a Lender, to it at its address (or facsimile number) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications to the extent provided in paragraph (b) below, shall be effective as provided in said **paragraph (b)**.

(b) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to **Article II** if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Change of Address, Etc. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(d) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF ANY MATERIALS OR INFORMATION PROVIDED BY OR ON BEHALF OF THE BORROWER OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM ANY MATERIALS OR INFORMATION PROVIDED BY OR ON BEHALF OF THE BORROWER.

NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH ANY MATERIALS OR INFORMATION PROVIDED BY OR ON BEHALF OF THE BORROWER OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender, the Sole Lead Arranger and Sole Bookrunner or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of any materials or information provided by or on behalf of the Borrower through the internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to the Borrower, any Lender, the Sole Lead Arranger and Sole Bookrunner or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

SECTION 1.02. No Waivers. No failure or delay by the Administrative Agent or any Lender in exercising any right, power or privilege hereunder or under any Note or other Loan Document shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Article VI for the benefit of all the Lenders; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any Lender from exercising setoff rights in accordance with Section 9.04, or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under the Bankruptcy Code or any other applicable debtor relief law.

SECTION 1.03. Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Loan Parties shall, jointly and severally, pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (with respect to legal expenses, limited to the reasonable and documented out-of-pocket fees, charges and disbursements of one primary outside counsel and one local counsel in each relevant jurisdiction for the Administrative Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent or any Lender (with respect to legal expenses, limited to the reasonable and documented out-of-pocket fees, charges and disbursements of one primary outside counsel and one local counsel in each relevant jurisdiction for the Administrative Agent or any Lender, taken as a whole, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Advances made hereunder, including all such documented out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Advances.

(b) Indemnification by the Loan Parties. The Loan Parties shall, jointly and severally, indemnify the Administrative Agent (and any sub-agent thereof) and each Lender and

each Related Party of any of the foregoing Persons (each such Person being called an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all losses, claims, penalties, damages, liabilities and related expenses (in the case of legal expenses, limited to the reasonable and documented out-of-pocket fees, charges and disbursements of one primary outside counsel and one local counsel in each relevant jurisdiction for all Indemnitees, taken as a whole), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Advance or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or Environmental Releases on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (w) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or its Related Parties, (x) result from a claim brought by the Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee’s obligations hereunder or under any other Loan Document, if the Borrower or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction, (y) result from the settlement of any such claim, investigation, litigation or other proceedings described in clause (iv) above unless the Borrower has consented to such settlement (which consent shall not be unreasonably withheld or delayed (provided that nothing in this clause (y) shall restrict the right of any person to settle any claim for which it has waived its right of indemnity by the Borrower) or (z) result from disputes solely among Indemnitees and not involving any act or omission of an Obligor or any of Affiliate thereof (other than any dispute against the Administrative Agent in its capacity as such).

(c) Reimbursement by Lenders. To the extent that a Loan Party for any reason fails to pay any amount required under paragraph (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender’s Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders under this paragraph (c) are subject to the provisions of Sections 9.10 and 9.13.

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no party hereto shall assert, and each party hereby waives, any claim against any other party, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Advance or the use of the proceeds thereof. No Indemnitee referred to in paragraph (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby, except to the extent caused by the gross negligence or willful misconduct of such Indemnitee or its Related Parties as determined by a court of competent jurisdiction by final and nonappealable judgment.

(e) Payments. All amounts due under this Section shall be payable promptly after written demand therefor.

SECTION 1.04. Setoffs; Sharing of Set-Offs; Application of Payments.

(a) If an Event of Default shall have occurred and be continuing, each Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Loan Party may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender or their respective Affiliates may have. Each Lender agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

(b) If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Advances or other Obligations (excluding any Obligations arising under or related to Cash Management Services, Bank Products and Hedging Agreements) hereunder or under any other Loan Document resulting in such Lender's receiving payment of a proportion of the aggregate amount of its Advances and accrued interest thereon or other such Obligations (excluding any Obligations arising under or related to Cash Management Services, Bank Products and Hedging Agreements) greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Advances and such other Obligations (excluding any Obligations arising under or related to Cash Management Services, Bank Products and Hedging Agreements) of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Advances and other amounts owing them, provided that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this paragraph shall not be construed to apply to (x) any payment made by a Loan Party pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Advances to any assignee or participant, other than to the Borrower or any Subsidiary thereof (as to which the provisions of this paragraph shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against each Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of each Loan Party in the amount of such participation.

(c) If any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative

Agent, (i) require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, **Section 9.07**), all of its interests, rights (other than its existing rights to payments pursuant to **Section 8.03** or **Section 2.12(e)**) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment) or (ii) remove such Person as a Lender and reduce the Revolver Commitments by the amount of such Lender's Revolver Commitment; provided that:

- (i) in the case of an assignment, the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in **Section 9.07**;
- (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under **Section 8.05**) (A) in the case of an assignment, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) and (B) in the case of the removal of a Lender, from the Borrower;
- (iii) such assignment or removal does not conflict with applicable law;
- (iv) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent; and
- (v) in the case of the removal of a Lender and the reduction of the Revolver Commitments, (A) the amount of such reduction of the Revolver Commitments shall constitute availability for a future Commitment Increase under and subject to **Section 2.14** (for the avoidance of doubt, in no event shall the aggregate Revolver Commitments exceed \$200,000,000); (B) no such reduction shall be in an amount greater than the Total Unused Revolver Commitments on the date of such termination or reduction; and (C) no such reduction pursuant to this **Section 9.04(c)** shall result in the aggregate Revolver Commitments of all of the Lenders being reduced to an amount less than \$10,000,000, unless the Revolver Commitments are terminated in their entirety pursuant to **Section 2.08**, in which case all accrued fees (as provided under **Section 2.07**) shall be payable on the effective date of such termination.

A Lender shall not be required to make any such assignment or delegation, or shall not be removed as a Lender, if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation or removal cease to apply.

SECTION 1.05. Amendments and Waivers.

(a) Any provision of this Agreement, the Notes or any other Loan Documents may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the Borrower and the Required Lenders (and, if the rights or duties of the Administrative Agent are affected thereby, by the Administrative Agent); provided that no such amendment or waiver shall, unless signed by all the Lenders or as otherwise noted below, (i) increase the Revolver Commitment of any Lender or subject any Lender to any additional obligation (it being understood and agreed that a waiver of any condition precedent set forth in **Section 3.02** or of any Default or Event of Default is not considered an increase in Revolver Commitments of any Lender or any Lender's obligation to fund) without the consent of such Lender, (ii) [reserved], (iii) defer the date fixed for any payment of principal of (including any extension of the Termination Date but excluding mandatory prepayments) or interest on any Advance or any fees hereunder; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest at the Default Rate, (iv) reduce the amount of principal, decrease the rate of interest or decrease the amount of fees due

on any date fixed for the payment thereof; provided, however, that (A) only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest at the Default Rate and (B) the Administrative Agent shall have the authority to establish a Benchmark Replacement as set forth in ~~Section 8.01~~ clauses (b) through (f) of Section 8.01, (v) change the percentage of the Revolver Commitments or of the aggregate unpaid principal amount of the Notes, or the percentage of Lenders, which shall be required for the Lenders or any of them to take any action under this Section or any other provision of this Agreement, (vi) change the application of any payments made under this Agreement or the other Loan Documents, including, without limitation, any change or modification to **Section 9.04(b)**, in a manner that would alter any pro rata sharing requirements, or change or modify **Section 6.04**, (vii) release, share or substitute all or substantially all of the Collateral held as security for the Obligations, (viii) change or modify the (x) definition of "Required Lenders," (y) any provision specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights, or make any determination or grant any consent, under the Loan Documents or (z) this **Section 9.05**, (ix) change the definition of the term "Borrowing Base", "Eligible Portfolio Investment", "Unrestricted Cash and Cash Equivalents" or any component definition of any of them if as a result thereof the amounts available to be borrowed by the Borrower would be increased without the consent of each Lender, provided that the foregoing shall not limit the discretion of the Administrative Agent to change, establish or eliminate any reserves or to make determinations with respect to the eligibility or value of any Investment pursuant to the terms and conditions set forth herein, (x) release any guaranty given to support payment of the Guaranteed Obligations, (xi) amend or waive any provision of the Loan Documents in any manner that permits a Defaulting Lender to cure its status as a Defaulting Lender without requiring such Defaulting Lender to pay in full its unfunded obligations or (xii) subordinate, or have the effect of subordinating, (a) in right of payment the Obligations hereunder to any other Indebtedness or (b) the priority of any Lien in any of the Collateral held as security for the Obligations. 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 9.08**, any such amendment, waiver, or consent that would increase or extend the term of the Revolver Commitment or Revolver 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, will require the consent of such Defaulting Lender. Notwithstanding the foregoing, (1) the Hedging Agreements, any agreement with the Administrative Agent and the agreements evidencing the Bank Products and Cash Management Services may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto and (2) any Commitment Increase meeting the conditions set forth in **Section 2.14** shall not require the consent of any Lender other than those Lenders, if any, which have agreed to increase their Revolver Commitment in connection with the proposed Commitment Increase.

(b) Notwithstanding anything in clause (a), (i) unless also signed by the Administrative Agent, no amendment, waiver or consent shall affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document, and (ii) any agreement with the Administrative Agent may be amended, or rights or privileges thereunder waived, only by means of a written agreement executed by all of the parties thereto. Additionally, notwithstanding anything to the contrary herein, each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Advances, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersede the unanimous consent provisions set forth herein and the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders.

(c) Notwithstanding anything to the contrary, unless signed by the Swingline Lender, no amendment, waiver of consent shall affect the rights or duties of the Swingline Lender under this Agreement or any other Loan Document.

(d) To the extent not inconsistent with **Section 9.05(a)(vii)** above, the Administrative Agent is authorized to release (and shall release) its Lien on any Collateral (i) that is the subject of a disposition not prohibited under this Agreement (including, without limitation, any transfer of a Portfolio Investment to a Structured Subsidiary or Immaterial Subsidiary in compliance with **Section 5.17**) or (ii) to which the Required Lenders shall have consented, and the Administrative Agent will, at the Loan Parties' expense, execute and deliver to any Loan Party such documents (including, without limitation, any UCC lien releases, re-assignments of trademarks, discharges of security interests, and other similar discharge or release documents (and, if applicable, in recordable form)) as such Loan Party shall reasonably request to evidence the release of such Lien; notwithstanding the foregoing, Portfolio Investments constituting Collateral shall be automatically released from such Lien, without any action of the Administrative Agent, in connection with any disposition of Portfolio Investments by a Loan Party that is not prohibited under any of the Loan Documents.

(e) The Administrative Agent and the Borrower may, without the consent of any Lender, enter into the amendments or modifications to this Agreement or any of the other Loan Documents or enter into additional Loan Documents as the Administrative Agent reasonably deems appropriate in order to implement any Benchmark Replacement or otherwise effectuate the terms of ~~Section 8.01~~ clauses (b) through (f) of **Section 8.01** in accordance with the terms of ~~Section 8.01~~ clauses (b) through (f) of **Section 8.01**.

SECTION 1.06. Margin Stock Collateral. Each of the Lenders represents to the Administrative Agent and each of the other Lenders that it in good faith is not, directly or indirectly (by negative pledge or otherwise), relying upon any Margin Stock as collateral in the extension or maintenance of the credit provided for in this Agreement.

SECTION 1.07. Successors and Assigns.

(a) **Successors and Assigns Generally.** The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrower nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of **paragraph (b)** of this Section, (ii) by way of participation in accordance with the provisions of **paragraph (d)** of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of **paragraph (f)** of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in **paragraph (d)** of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) **Assignments by Lenders.** Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Revolver Commitment and the Revolver Advances at the time owing to it); provided that

(i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Revolver Commitment and the Revolver Advances at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, the aggregate amount of the Revolver Commitment (which for this purpose includes Revolver Advances outstanding thereunder) or, if the applicable Revolver Commitment is not then in effect, the principal outstanding

balance of the Revolver Advances of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if “**Trade Date**” is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed);

(ii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender’s rights and obligations under this Agreement with respect to the Revolver Advances or the Revolver Commitment assigned;

(iii) no assignment shall be made to any Defaulting Lender or its Subsidiaries or Affiliates, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (iii);

(iv) any assignment of a Revolver Commitment must be approved by the Administrative Agent (such approval not to be unreasonably withheld or delayed) unless the Person that is the proposed assignee is itself the Swingline Lender or a Lender with a Revolver Commitment (whether or not the proposed assignee would otherwise qualify as an Eligible Assignee) and the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund, 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 within five (5) Business Days after having received notice thereof; and

(v) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500, for which the Borrower and Guarantors shall not be obligated, and the Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to **paragraph (c)** of this Section, from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender’s rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of **Sections 8.03** and **9.03** with respect to facts and circumstances occurring prior to the effective date of such assignment. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with **paragraph (d)** of this Section.

(c) **Register.** The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at one of its offices in Mt. Laurel, New Jersey a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Revolver Commitments of, and principal amounts of the Revolver Advances owing to, each Lender pursuant to the terms hereof from time to time (the “**Register**”). In addition, the Administrative Agent shall maintain on the Register the designation, and the revocation of designation, of any Lender as a Defaulting Lender of which it has received notice. The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the

Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice

(d) **Participations.** Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person) or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "**Participant**") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Revolver Commitment and/or the Revolver Advances owing to it); **provided** that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and any other Loan Document and to approve any amendment, modification or waiver of any provision of this Agreement and any other Loan Document; **provided** that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in **Section 9.05(a)(i)** through **(x)** (inclusive) that directly affects such Participant. Subject to **paragraph (e)** of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of **Sections 8.01** through **8.05** inclusive and 2.12(e) (subject to the requirements and limitations therein, including the requirements under Section 2.12(e)(v) (it being understood that the documentation required under Section 2.12(e)(v) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to **paragraph (b)** of this Section; provided that such Participant (A) agrees to be subject to the provisions of Section 9.04(c) as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 8.03 or 2.12(e), with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation; provided, further, that no Participant shall be entitled to the benefits of Section 2.12(e) unless the Borrower is notified of the participation granted to such Participant and such Participant shall have complied with the requirements of Section 2.12(e) as if such Participant is a Lender. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 9.04(c) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of **Section 9.04** as though it were a Lender, provided such Participant agrees to be subject to **Section 9.04** as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Advances or other obligations under the Loan Documents (the "Participant Register"); **provided**, that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) **Limitations upon Participant Rights.** A Participant shall not be entitled to receive any greater payment under **Section 8.03** than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation

to such Participant is made with the Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of **Section 2.12** unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with **Section 2.12** as though it were a Lender. If a Participant claims exemption for portfolio interest under Section 871(h) or 881(c) of the Code, the applicable Lender shall provide the Borrower with satisfactory evidence that the participation is in registered form and shall permit the Borrower to review such register as reasonably needed for the Borrower to comply with its obligations under applicable laws and regulations.

(f) **Certain Pledges.** Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 1.08. **Defaulting Lenders.** Notwithstanding anything contained in this Agreement, if any Lender becomes a Defaulting Lender, then, to the extent permitted by Applicable Laws:

(a) during any Default Period with respect to such Defaulting Lender, 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 9.05(a)**;

(b) 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 9.08**, 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 VI** or otherwise, and including any amounts made available to the Administrative Agent by such Defaulting Lender pursuant to **Section 9.08**), 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 of any amounts owing by such Defaulting Lender to the Swingline Lender hereunder; third, if so determined by the Administrative Agent and the Borrower, to be held in a non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Revolver Advances under this Agreement; fourth, as the Borrower may request, so long as no Default exists and is continuing, to the funding of any Revolver 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; 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 that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; sixth, so long as no Default exists and is continuing, 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 that 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 Revolver Advance in respect of which that Defaulting Lender has not fully funded its appropriate share and (y) such Revolver Advance was made at a time when the conditions set forth in **Section 3.02** were satisfied or waived, such payment shall be applied solely to pay the Revolver Advance of all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Revolver Advance of that Defaulting Lender;

(c) until such time as all Defaulted Payments with respect to such Defaulting Lender shall have been paid, the Administrative Agent may (in its discretion) apply any amounts thereafter received by the Administrative Agent for the account of such Defaulting Lender to satisfy such

Defaulting Lender's obligations to make such Defaulted Payments until such Defaulted Payments have been fully paid;

(d) no assignments otherwise permitted by **Section 9.07** shall be made to a Defaulting Lender or any of its Subsidiaries or Affiliates that are Distressed Persons;

(e) **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 Lenders which are not a Defaulting Lender at such time (each, a "**Non-Defaulting Lender**") 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 3.02** 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 Revolver 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.

(f) **Repayment of Swing Advances.** If the reallocation described in **subsection (e)** 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 Lenders' Fronting Exposure. So long as any Lender is a Defaulting Lender, the Swingline Lender shall not be required to fund any Swing Advances unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swing Advance.

Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) as provided in the above **Section 9.08(b)** to pay amounts owed by a Defaulting Lender shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

SECTION 1.09. Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and other representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Loan Parties or their Affiliates.

For purposes of this Section, "**Information**" means all information received from the Loan Parties or any of their Subsidiaries relating to the Loan Parties or any of their Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Loan Parties or any of their Subsidiaries. Any Person required to maintain the confidentiality of Information as provided in this

Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

SECTION 1.10. Representation by Lenders. Each Lender hereby represents that it is a commercial lender or financial institution which makes loans in the ordinary course of its business and that it will make its Advances hereunder for its own account in the ordinary course of such business; provided, however, that, subject to Section 9.07, the disposition of the Note or Notes held by that Lender shall at all times be within its exclusive control.

SECTION 1.11. Obligations Several. The obligations of each Lender hereunder are several, and no Lender shall be responsible for the obligations or commitment of any other Lender hereunder. Nothing contained in this Agreement and no action taken by the Lenders pursuant hereto shall be deemed to constitute the Lenders to be a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Lender shall be a separate and independent debt and each Lender shall be entitled to protect and enforce its rights arising out of this Agreement or any other Loan Document and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

SECTION 1.12. Survival of Certain Obligations. Sections 8.03(a), 8.03(b), 8.05, 9.03 and 9.09, and the obligations of the Loan Parties thereunder, shall survive, and shall continue to be enforceable notwithstanding, the termination of this Agreement, and the Revolver Commitments and the payment in full of the principal of and interest on all Advances.

SECTION 1.13. Governing Law. This Agreement and each Note shall be construed in accordance with and governed by the law of the State of New York.

SECTION 1.14. Severability. In case any one or more of the provisions contained in this Agreement, the Notes or any of the other Loan Documents should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby and shall be enforced to the greatest extent permitted by law.

SECTION 1.15. Interest. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the Maximum Lawful Rate. If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Lawful Rate, the excess interest shall be applied to the principal of the Advances or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Lawful Rate, such Person may, to the extent permitted by Applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

SECTION 1.16. Interpretation. No provision of this Agreement or any of the other Loan Documents shall be construed against or interpreted to the disadvantage of any party hereto by any court or other governmental or judicial authority by reason of such party having or being deemed to have structured or dictated such provision.

SECTION 1.17. Counterparts; Integration; Effectiveness; Electronic Execution.

(a) Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent, constitute the entire contract among the parties relating to the

subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in **Section 3.01**, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (i.e. "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement

(b) Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 1.18. Jurisdiction; Waiver of Venue; Service of Process; Waiver of Jury Trial.

(a) Submission to Jurisdiction. Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the courts of the State of New York sitting in New York County, or the federal courts sitting in the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against the Borrower or its properties in the courts of any jurisdiction.

(b) Waiver of Venue. The Borrower irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (a) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Service of Process. Each party hereto irrevocably consents to service of process in the manner provided for notices in **Section 9.01**. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by applicable law.

(d) 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 LOAN 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 1.19. Independence of Covenants. All covenants under this Agreement and the other Loan Documents shall be given independent effect so that if a particular action or condition is not permitted by any such covenant, the fact that it would be permitted by an exception to, or would be otherwise allowed by, another covenant shall not avoid the occurrence of a Default if such action is taken or such condition exists.

SECTION 1.20. Concerning Certificates. All certificates required hereunder to be delivered by the Borrower, any Guarantor or any Subsidiary and that are required to be executed or certified by the chief financial officer or any other authorized officer of the Borrower, any Guarantor or any Subsidiary shall be executed or certified by such officer in such capacity solely on behalf of the entity for whom he is acting, and not in any individual capacity; provided that nothing in the foregoing shall be deemed as a limitation on liability of any officer for any acts of willful misconduct, fraud, intentional misrepresentation or dishonesty in connection with such execution or certification.

SECTION 1.21. Renewal and Restatement. On the Sixth Amendment Effective Date, this Agreement amends, restates and supersedes the Existing Credit Agreement in its entirety, and the Existing Credit Agreement shall thereafter be of no further force and effect. It is the intention of the parties hereto that all liens and security interests securing the Existing Credit Agreement, continue to exist, remain valid, shall not be impaired or released hereby, shall remain in full force and effect under the terms of this Agreement and all of the Loan Documents, and that this Agreement does not constitute a novation or termination of the Debt and obligations existing under the Existing Credit Agreement.

SECTION 1.22. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder that may be payable to it by any party hereto that is an Affected Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability;
 - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
 - (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

SECTION 1.23. Acknowledgement Regarding any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Hedging Agreements or any other agreement or instrument that is a QFC (such support, “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the

Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States.

(b) As used in this Section 9.23, the following terms have the following meanings:

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Covered Entity” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b)
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

SECTION 1.24. USA Patriot Act. Each Lender subject to the USA Patriot Act hereby notifies each Loan Party that, pursuant to the requirements of the USA Patriot Act, it may be required to obtain, verify and record information that identifies such Loan Party, which information includes the name and address of such Loan Party and other information that will allow such Lender to identify such Loan Party in accordance with the USA Patriot Act.

SECTION 1.25. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), each Loan Party acknowledges and agrees, and acknowledges its Affiliates’ understanding, that: (a) (i) no fiduciary, advisory or agency relationship between such Loan Party and its Subsidiaries and the Administrative Agent, the Swingline Lender or any Lender is intended to be or has been created in respect of the transactions contemplated hereby or by the other Loan Documents, irrespective of whether the Administrative Agent, the Swingline Lender or any Lender has advised or is advising such Loan Party or any Subsidiary on other matters, (ii) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Swingline Lender and the Lenders are arm’s-length commercial transactions between such Loan Party and its Affiliates, on the one hand, and the Administrative Agent, the Swingline Lender and the Lenders, on the other hand, (iii) such Loan Party has consulted its own legal, accounting, regulatory and tax

advisors to the extent that it has deemed appropriate and (iv) such Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; and (b) (i) the Administrative Agent, the Swingline Lender and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for such Loan Party or any of its Affiliates, or any other Person; (ii) none of the Administrative Agent, the Swingline Lender and the Lenders has any obligation to such Loan Party or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Swingline Lender and the Lenders and their respective Affiliates may be engaged, for their own accounts or the accounts of customers, in a broad range of transactions that involve interests that differ from those of such Loan Party and its Affiliates, and none of the Administrative Agent, the Swingline Lender and the Lenders has any obligation to disclose any of such interests to such Loan Party or its Affiliates. To the fullest extent permitted by Applicable Law, each Loan Party hereby waives and releases any claims that it may have against any of the Administrative Agent, the Swingline Lender and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

ARTICLE X GUARANTY

SECTION 1.01. Unconditional Guaranty. Each Guarantor hereby irrevocably, unconditionally and jointly and severally guarantees, each as a primary obligor and not merely as a surety, to the Administrative Agent, the Lenders and the other Secured Parties the due and punctual payment of the principal of and the premium, if any, and interest on the Guaranteed Obligations and any and all other amounts due under or pursuant to the Loan Documents, when and as the same shall become due and payable (whether at stated maturity or by optional or mandatory prepayment or by declaration, redemption or otherwise) in accordance with the terms of the Loan Documents. The Guarantors' guaranty under this Section is an absolute, present and continuing guarantee of payment and not of collectability, and is in no way conditional or contingent upon any attempt to collect from the Borrower, any of the Guarantors or any other guarantor of the Guaranteed Obligations (or any portion thereof) or upon any other action, occurrence or circumstances whatsoever. In the event that the Borrower or any Guarantor shall fail so to pay any such principal, premium, interest or other amount to the Administrative Agent, a Lender or any other Secured Party, the Guarantors will pay the same forthwith, without demand, presentment, protest or notice of any kind (all of which are waived by the Guarantors to the fullest extent permitted by law), in lawful money of the United States, at the place for payment specified in the Loan Documents or specified by such Administrative Agent in writing, to such Administrative Agent. The Guarantors further agree, promptly after demand, to pay to the Administrative Agent, the Lenders and the other Secured Parties the costs and expenses incurred by such Administrative Agent, Lender or other Secured Party in connection with enforcing the rights of such Administrative Agent, Lenders and the other Secured Parties against the Borrower and any or all of the Guarantors (whether in a bankruptcy proceeding or otherwise) following any default in payment of any of the Guaranteed Obligations or the obligations of the Guarantors hereunder, including, without limitation, the fees and expenses of counsel to the Administrative Agent, such Lenders and the other Secured Parties.

SECTION 1.02. Obligations Absolute. The obligations of the Guarantors hereunder are and shall be absolute and unconditional, irrespective of the validity, regularity or enforceability of this Agreement, any of the Guaranteed Obligations or any of the Loan Documents, shall not be subject to any counterclaim, set-off, deduction or defense based upon any claim any of the Guarantors may have against the Borrower, any other Guarantor or the Administrative Agent, any Lender or any other Secured Party, hereunder or otherwise, and shall remain in full force and effect without regard to, and shall not be released, discharged or in any way affected by, to the fullest extent permitted by law, any circumstance or condition whatsoever (whether or not any of the Guarantors shall have any knowledge or notice thereof), including, without limitation:

- (a) any amendment or modification of or supplement to any of the Loan Documents or any other instrument referred to herein or therein, or any assignment or transfer of any thereof or

of any interest therein, or any furnishing or acceptance of additional security for any of the Guaranteed Obligations;

- (b) any waiver, consent or extension under any Loan Document or any such other instrument, or any indulgence or other action or inaction under or in respect of, or any extensions or renewals of, any Loan Document, any such other instrument or any Guaranteed Obligation;
- (c) any failure, omission or delay on the part of the Administrative Agent to enforce, assert or exercise any right, power or remedy conferred on or available to the Administrative Agent or any Lender against the Borrower or any Guarantor, any Subsidiary of the Borrower or any Subsidiary of any Guarantor;
- (d) any bankruptcy, insolvency, readjustment, composition, liquidation or similar proceeding with respect to the Borrower, any Guarantor, any Subsidiary of the Borrower or any Subsidiary of any Guarantor or any property of the Borrower, any Guarantor or any such Subsidiary or any unavailability of assets against which the Guaranteed Obligations, or any of them, may be enforced;
- (e) any merger or consolidation of the Borrower, any Subsidiary of the Borrower or any Guarantor or any of the Guarantors into or with any other Person or any sale, lease or transfer of any or all of the assets of any of the Guarantors, the Borrower or any Subsidiary of the Borrower or any Guarantor to any Person;
- (f) any failure on the part of the Borrower, any Guarantor or any Subsidiary of the Borrower or any Guarantor for any reason to comply with or perform any of the terms of any agreement with any of the Guarantors;
- (g) any exercise or non-exercise by the Administrative Agent, any Lender or any other Secured Party, of any right, remedy, power or privilege under or in respect of any of the Loan Documents or the Guaranteed Obligations, including, without limitation, under this Section;
- (h) any default, failure or delay, willful or otherwise, in the performance or payment of any of the Guaranteed Obligations;
- (i) any furnishing or acceptance of security, or any release, substitution or exchange thereof, for any of the Guaranteed Obligations;
- (j) any failure to give notice to any of the Guarantors of the occurrence of any breach or violation of, or any event of default or any default under or with respect to, any of the Loan Documents or the Guaranteed Obligations;
- (k) any partial prepayment, or any assignment or transfer, of any of the Guaranteed Obligations; or
- (l) any other circumstance (other than payment in full of the Guaranteed Obligations (other than unasserted contingent indemnification obligations)) which might otherwise constitute a legal or equitable discharge or defense of a guarantor or which might in any manner or to any extent vary the risk of such Guarantor.

The Guarantors covenant that their respective obligations hereunder will not be discharged except by complete performance of the obligations contained in the Loan Documents and this Agreement and the final payment in full of the Guaranteed Obligations (other than unasserted contingent indemnification obligations). The Guarantors unconditionally waive, to the fullest extent permitted by law (A) notice of any of the matters referred to in this Section, (B) any and all rights which any of the Guarantors may now or hereafter have arising under, and any right to claim a discharge of the Guarantor's obligations hereunder by reason of the failure or refusal by the Administrative Agent, any Lender or any other Secured Party to take any action pursuant to any statute permitting a Guarantor to request that the

Administrative Agent or any Lender attempt to collect the Guaranteed Obligations from the Borrower, any of the Guarantors or any other guarantor, (C) all notices which may be required by statute, rule of law or otherwise to preserve any of the rights of the Administrative Agent, any Lender or any other Secured Party against the Guarantors, including, without limitation, presentment to or demand of payment from the Borrower, any of the Subsidiaries of the Borrower or any Guarantor, or any of the other Guarantors with respect to any Loan Document or this agreement, notice of acceptance of the Guarantors' guarantee hereunder and/or notice to the Borrower, any of the Subsidiaries of the Borrower or any Guarantor, or any Guarantor of default or protest for nonpayment or dishonor, (D) any diligence in collection from or protection of or realization upon all or any portion of the Guaranteed Obligations or any security therefor, any liability hereunder, or any party primarily or secondarily liable for all or any portion of the Guaranteed Obligations, and (E) any duty or obligation of the Administrative Agent, any Lender or any other Secured Party to proceed to collect all or any portion of the Guaranteed Obligations from, or to commence an action against, the Borrower, any Guarantor or any other Person, or to resort to any security or to any balance of any deposit account or credit on the books of the Administrative Agent, any Lender or any other Secured Party in favor of the Borrower, any Guarantor or any other Person, despite any notice or request of any of the Guarantors to do so.

SECTION 1.03. Continuing Obligations; Reinstatement. The obligations of the Guarantors under this Article X are continuing obligations and shall continue in full force and effect until such time as all of the Guaranteed Obligations (and any renewals and extensions thereof) shall have been finally paid and satisfied in full. The obligations of the Guarantors under this Article X shall continue to be effective or be automatically reinstated, as the case may be, if any payment made by the Borrower, any Guarantor or any Subsidiary of the Borrower or any Guarantor on, under or in respect of any of the Guaranteed Obligations is rescinded or must otherwise be restored or returned by the recipient upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower, any Guarantor or any such Subsidiary, or upon or as a result of the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to the Borrower, any Guarantor or any such Subsidiary or any substantial part of the property of the Borrower, any Guarantor or any such Subsidiary, or otherwise, all as though such payment had not been made. If an event permitting the acceleration of all or any portion of the Guaranteed Obligations shall at any time have occurred and be continuing, and such acceleration shall at such time be stayed, enjoined or otherwise prevented for any reason, including without limitation because of the pendency of a case or proceeding relating to the Borrower, any Guarantor or any Subsidiary of the Borrower or any Guarantor under any bankruptcy or insolvency law, for purposes of this Article X and the obligations of the Guarantors hereunder, such Guaranteed Obligations shall be deemed to have been accelerated with the same effect as if such Guaranteed Obligations had been accelerated in accordance with the terms of the applicable Loan Documents or of this Agreement.

SECTION 1.04. Additional Security, Etc. The Guarantors authorize the Administrative Agent on behalf of the Lenders without notice to or demand on the Guarantors and without affecting their liability hereunder, from time to time (a) to obtain additional or substitute endorsers or guarantors; (b) to exercise or refrain from exercising any rights against, and grant indulgences to, the Borrower, any Subsidiary of the Borrower or any Guarantor, any other Guarantor or others; and (c) to apply any sums, by whomsoever paid or however realized, to the payment of the principal of, premium, if any, and interest on, and other obligations consisting of, the Guaranteed Obligations. The Guarantors waive any right to require the Administrative Agent, any Lender or any other Secured Party to proceed against any additional or substitute endorsers or guarantors or the Borrower or any of their Subsidiaries or any other Person or to pursue any other remedy available to the Administrative Agent, any such Lender or any such other Secured Party.

SECTION 1.01. Information Concerning the Borrower. The Guarantors assume all responsibility for being and keeping themselves informed of the financial condition and assets of the Borrower, the other Guarantors and their respective Subsidiaries, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations and the nature, scope and extent of the risks which the Guarantors assume and insure hereunder, and agree that neither the Administrative Agent, any Lender nor any other Secured Party shall have any duty to advise the Guarantors of information known

to the Administrative Agent, any such Lender or any such other Secured Party regarding or in any manner relevant to any of such circumstances or risks.

SECTION 1.02. Guarantors' Subordination. The Guarantors hereby absolutely subordinate, both in right of payment and in time of payment, any present and future indebtedness of the Borrower or any Subsidiary of the Borrower or any Guarantor to any or all of the Guarantors to the indebtedness of the Borrower or any such Subsidiary or to the Administrative Agent, Lenders and the other Secured Parties (or any of them), *provided* that the Guarantors may receive scheduled payments of principal, premium (if any) and interest in respect of such present or future indebtedness so long as there is no Event of Default then in existence.

SECTION 1.03. Waivers. Notwithstanding anything herein to the contrary, until the payment in full of the Guaranteed Obligations (other than unasserted contingent indemnification obligations), the Guarantors hereby waive any right of subrogation (under contract, Section 509 of the Bankruptcy Code or otherwise) or any other right of indemnity, reimbursement or contribution and hereby waive any right to enforce any remedy that the Administrative Agent, any Lender or any other Secured Party now has or may hereafter have against the Borrower, any Guarantor or any endorser or any other guarantor of all or any part of the Guaranteed Obligations, and the Guarantors hereby waive any benefit of, and any right to participate in, any security or collateral given to the Administrative Agent, any Lender or any other Secured Party to secure payment or performance of the Guaranteed Obligations or any other liability of the Borrower to the Administrative Agent, any Lender or any other Secured Party. Each Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Guaranteed Obligations, and all notices of acceptance of this Guaranty or of the existence, creation or incurrence of new or additional Obligations. The waivers contained in this Section shall continue and survive the termination of this Agreement and the final payment in full of the Guaranteed Obligations (other than unasserted contingent indemnification obligations).

SECTION 1.04. Enforcement. In the event that the Guarantors shall fail forthwith to pay upon demand of the Administrative Agent, any Lender or any other Secured Party any amounts due pursuant to this Article X or to perform or comply with or to cause performance or compliance with any other obligation of the Guarantors under this Agreement the Administrative Agent, any Lender and any other Secured Party shall be entitled and empowered to institute any action or proceeding at law or in equity for the collection of the sums so due and unpaid or for the performance of or compliance with such terms, and may prosecute any such action or proceeding to judgment or final decree and may enforce such judgment or final decree against the Guarantors and collect in the manner provided by law out of the property of the Guarantors, wherever situated, any monies adjudged or decreed to be payable. The obligations of the Guarantors under this Agreement are continuing obligations and a fresh cause of action shall arise in respect of each default hereunder.

SECTION 1.05. Miscellaneous. Except as may otherwise be expressly agreed upon in writing, the liability of the Guarantors under this Article X shall neither affect nor be affected by any prior or subsequent guaranty by the Guarantors of any other indebtedness to the Administrative Agent, the Lenders or any other Secured Party. Notwithstanding anything in this Article X to the contrary, the maximum liability of each Guarantor hereunder shall in no event exceed the maximum amount which could be paid out by such Guarantor without rendering such Guarantor's obligations under this Article X, in whole or in part, void or voidable under applicable law, including, without limitation, (i) the Bankruptcy Code of 1978, as amended, and (ii) any applicable state or federal law relative to fraudulent conveyances.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK -
SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, under seal, by their respective authorized officers as of the day and year first above written.

MSC INCOME FUND, INC., a Maryland corporation

By: _____
Name:
Title:

MSC EQUITY HOLDING, LLC, a Delaware limited liability company

By: _____
Name:
Title:

MSC EQUITY HOLDING II, INC., a Delaware corporation

By: _____
Name:
Title:

MSC CALIFORNIA HOLDINGS LP, a Delaware limited partnership

By: _____
Name:
Title:

MSC CALIFORNIA HOLDINGS GP LLC, a Delaware limited liability company

By: _____
Name:
Title:

HMS FUNDING I LLC, a Delaware limited liability company

By: _____
Name:
Title:

COMMITMENTS TIAA, FSB,
as Administrative Agent and as a Lender

By: _____
Name:
Title:

Revolver
Commitment:
\$60,000,000

Conformed Credit Agreement – Signature Page

VERITEX COMMUNITY BANK,
as a Lender

By: _____
Name:
Title:

Revolver
Commitment:
\$20,000,000

Conformed Credit Agreement – Signature Page

CUSTOMERS BANK,
as a Lender

By: _____
Name:
Title:

Revolver
Commitment:
\$25,000,000

Conformed Credit Agreement – Signature Page

TRUSTMARK NATIONAL BANK,
as a Lender

By: _____
Name:
Title:

Revolver
Commitment:
\$15,000,000

Conformed Credit Agreement – Signature Page

HANCOCK WHITNEY BANK,
as a Lender

By: _____
Name: Nate Ellis
Title:

Revolver
Commitment:
\$10,000,000

Conformed Credit Agreement – Signature Page

CITY NATIONAL BANK,

as a Lender

By: _____
Name:
Title:

Revolver
Commitment:
\$25,000,000

Conformed Credit Agreement – Signature Page

SCHEDULE A
DESIGNATION NOTICE

_____, 2017

TIAA, FSB,
as Administrative Agent
10000 Midlantic Drive, Suite 400 East
Mt. Laurel, New Jersey 08054
Attention: John Dale, Chief Credit Officer

Dear Sirs:

Reference is made to the Senior Secured Revolving Credit Agreement dated as of March 11, 2014 (as supplemented by that certain Joinder and Reaffirmation Agreement dated as of April 15, 2014, executed by MSC Equity Holdings, LLC (“ **Holding** ”) for the benefit of Administrative Agent on behalf of the Lenders, as amended by that certain First Amendment to Loan Documents dated as of May 30, 2014, that certain Second Amendment to Credit Agreement dated as of September 22, 2014, that certain Third Amendment to Credit Agreement dated as of May 13, 2015, and that certain Fourth Amendment to Credit Agreement dated as of May 29, 2015, as supplemented by that certain Assignment, Assumption, Joinder and Amendment Agreement dated as of March 6, 2017, and as amended and restated by that certain Amended and Restated Senior Secured Revolving Credit Agreement dated as of March 6, 2017, by and among MSC Income Fund, Inc. (“ **Borrower** ”), the Guarantors party thereto, TIAA, FSB, as successor in interest to certain assets of EverBank Commercial Finance, Inc., as Administrative Agent (“ **Administrative Agent** ”) and the Lenders party thereto, as amended by that certain First Amendment to Credit Agreement dated as of October 19, 2017, as supplemented by that certain Assignment, Assumption, Joinder and Amendment Agreement dated as of December 21, 2018, as amended by that certain Second Amendment to Credit Agreement dated as of March 5, 2020, as amended by that certain Consent and Third Amendment dated as of September 25, 2020, as amended by that certain Fourth Amendment to Credit Agreement dated as of January 27, 2021, as amended by that certain Fifth Amendment to Credit Agreement dated as of July 27, 2021, as amended by that certain Sixth Amendment to Credit Agreement dated as of September 22, 2021, and as further amended, modified, restated, supplemented, renewed or extended from time to time, the “ **Credit Agreement** ”). Terms defined in the Credit Agreement are used herein with the same meanings.

The undersigned is a Lender and is party to a Hedging Agreement, dated as of [_____] and enclosed as **Exhibit A** to this letter agreement, pursuant to the Credit Agreement. By executing this letter agreement, the undersigned: (i) appoints the Administrative Agent as its agent under the applicable Loan Documents and (ii) agrees to be bound by the provisions of **Articles VI and VII** of the Credit Agreement.

Very truly yours,

[NAME OF LENDER]

By: _____
Name: _____
Title: _____

Acknowledged by:

TIAA, FSB,
as Administrative Agent

By: _____
Name: _____
Title: _____

SCHEDULE B
REVOLVER COMMITMENT

<u>Lender</u>	<u>Revolver Commitment</u>
TIAA, FSB	\$60,000,000
Customers Bank	\$35,000,000
Veritex Community Bank	\$20,000,000
Trustmark National Bank	\$19,000,000
Hancock Whitney Bank	\$11,000,000
City National Bank	\$20,000,000
TOTAL	\$165,000,000

MORTGAGED PROPERTIES

None.

SUBSIDIARIES

Subsidiary	Type of Organization	State of Organization
MSC Equity Holding, LLC	Limited Liability Company	Delaware
MSC Equity Holding II, Inc.	Corporation	Delaware
HMS Funding I LLC	Limited Liability Company	Delaware
MSC California Holdings LP	Limited Partnership	Delaware
MSC California Holdings GP LLC	Limited Liability Company	Delaware
MSIF Funding LLC	Limited Liability Company	Delaware

SUBSIDIARIES AND AFFILIATES

Subsidiary	Holder of Equity Interests	Nature of Equity Interests	Percentage of Equity Interests Held	Jurisdiction of Organization
MSC Equity Holding, LLC	MSC Income Fund, Inc.	Limited Liability Company Interest	100%	Delaware
MSC Equity Holding II, Inc.	MSC Income Fund, Inc.	Stock	100%	Delaware
HMS Funding I, LLC	MSC Income Fund, Inc.	Limited Liability Company Interest	100%	Delaware
MSC California Holdings LP	MSC Income Fund, Inc.	Limited Partnership Interest	99%	Delaware
	MSC California Holdings GP LLC		1%	Delaware
MSC California Holdings GP LLC	MSC Income Fund, Inc.	Limited Liability Company Interest	100%	Delaware
MSIF Funding LLC	MSC Income Fund, Inc.	Limited Liability Company Interest	100%	Delaware

MATERIAL CONTRACTS

- Assignment and Assumption Agreement, dated as of December 12, 2011, among Main Street Capital Corporation, Main Street Capital II, LP and Main Street Mezzanine Fund, LP, as assignors, and HMS Income LLC as assignee.
- Servicing Agreement, dated as of December 12, 2011 between Main Street Capital Partners, LLC and MSC Income LLC.
- Advisory Agreement.
- Amended and Restated Term Loan Agreement, dated as of July 27, 2021, by and between Main Street Capital Corporation, a Maryland corporation, and Borrower, as amended, restated, supplemented or otherwise modified from time to time.
- Loan and Security Agreement, dated as of February 3, 2021, by and among MSIF Funding, LLC, as borrower, Borrower, as portfolio manager, the lenders party thereto, U.S. Bank National Association, in its capacities as collateral agent, collateral administrator and securities intermediary, and JPMorgan Chase Bank, National Association, as administrative agent.

LOANS AND ADVANCES

None.

PRINCIPAL AMOUNTS

None.

DEBT

None.

OPERATING LEASES

None.

**CERTIFICATION PURSUANT TO
RULE 13a-14(a) and 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS AMENDED**

I, Dwayne L. Hyzak, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023 of MSC Income Fund, Inc. (the “registrant”);
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 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 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.

Dated this May 12, 2023.

By: /s/ DWAYNE L. HYZAK

Dwayne L. Hyzak

Chief Executive Officer

**CERTIFICATION PURSUANT TO
RULE 13a-14(a) and 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS AMENDED**

I, Jesse E. Morris, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023 of MSC Income Fund, Inc. (the “registrant”);
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 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 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.

Dated this May 12, 2023.

By: /s/ JESSE E. MORRIS

Jesse E. Morris

Chief Financial Officer and Chief Operating Officer

**Certification of Chief Executive Officer
Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)**

In connection with the accompanying Quarterly Report of MSC Income Fund, Inc. (the "Registrant") on Form 10-Q for the quarterly period ended March 31, 2023 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Dwayne L. Hyzak, the Chief Executive Officer of the Registrant, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ DWAYNE L. HYZAK

Name: Dwayne L. Hyzak

Date: May 12, 2023

**Certification of Chief Financial Officer
Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)**

In connection with the accompanying Quarterly Report of MSC Income Fund, Inc. (the "Registrant") on Form 10-Q for the quarterly period ended March 31, 2023 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Jesse E. Morris, the Chief Financial Officer of the Registrant, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ JESSE E. MORRIS

Name: Jesse E. Morris

Date: May 12, 2023